

**An Examination of Tax Deductible
Donations Made By Individual
Australian Taxpayers in
2007 – 08**

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The Australian Centre for Philanthropy and Nonprofit Studies (ACPNS)

is a specialist research and teaching unit at the

Queensland University of Technology in Brisbane, Australia

It seeks to promote the understanding of philanthropy and nonprofit issues by drawing upon academics from many disciplines and working closely with nonprofit practitioners, intermediaries and government departments. CPNS's mission is "to bring to the community the benefits of teaching, research, technology and service relevant to philanthropic and nonprofit communities". Its theme is 'For the Common Good'.

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1.0 EXECUTIVE SUMMARY

1.1 Overview of the Research

Each year, The Australian Centre for Philanthropy and Nonprofit Studies (ACPNS) at Queensland University of Technology (QUT) analyses statistics on the amount and extent of tax-deductible donations made and claimed by Australians in their individual income tax returns to deductible gift recipients (DGRs). The information presented below is based on the amount and type of tax-deductible donations made and claimed by Australian individual taxpayers to DGRs for the period 1 July 2007 to 30 June 2008.

This information has been extracted mainly from the Australian Taxation Office's (ATO) publication *Taxation Statistics 2007-08*. The 2007-08 report is the latest report that has been made publicly available and it represents information in tax returns for the 2007-08 year processed by the ATO as at 31 October 2009.

The 2007-08 period was the beginning of the recent global financial instability. While the collapse of the sub-prime mortgage market began in the USA in February 2007, Australian GDP rose to a high of 4.2% in the September quarter 2007 and unemployment fell to a low of 4.1% in the March quarter 2008. Australian Consumer Sentiment Index which was at a high of 121.5 in June 2007, but fell to a low of 84.7 in June 2008 giving an indication of growing concern with Australia's economic outlook. Nonprofit organisations did not begin to see significant changes in donor behavior until late in the 2008 financial year.

This study uses information based on published ATO material and represents only the extent of tax-deductible donations made and claimed by Australian taxpayers to DGRs at Item D8 Gifts or Donations in their individual income tax returns for the 2007-08 income year. The data does not include corporate taxpayers. Expenses such as raffles, sponsorships, fundraising purchases (e.g., sweets, tea towels, special events) or volunteering are generally not deductible as 'gifts'. The *Giving Australia*¹ Report used a more liberal definition of gift to arrive at an estimated total of giving at \$11 billion in the year to January 2005 (excluding Tsunami giving of \$300 million). The \$11 billion total comprised \$5.7 billion from adult Australians, \$2 billion from charity gambling or special events and \$3.3 billion from business sources.

¹ A copy of Giving Australia is available at: <http://www.bus.qut.edu.au/research/cpns/publications/>

1.2 Summary of Findings

The following is a summary of the significant statistics that are further analysed in this paper.

General Information:

- The total amount donated and claimed as tax-deductible donations in 2007-08 was \$2.35 billion (compared to \$1.89 billion for the previous income year). This constitutes an increase of \$461million (or 24.46%) from the previous income year.
- In 2007-08, individual taxpayers claimed \$33.58 billion in personal tax deductions. Of this amount, 7% of deductions claimed were tax deductible gifts, compared to 5% in tax agent fees and 48% for work related expenses.
- The average tax-deductible donation made to DGRs and claimed by Australian taxpayers in 2007-08 was \$523.10 (compared to \$440.01 in the previous income year). This average amount has nearly trebled in the last decade. Using a base year of 1978-79, the actual average tax-deductible donation is far exceeding the inflation-adjusted average tax-deductible donation as measured by the Consumer Price Index (CPI).
- In 2007-08, 4.48 million Australian taxpayers (or 35.47% of the Australian taxpaying population) made and claimed tax-deductible donations. In the previous year, 36.3% or 4.28 million taxpayers made and claimed a gift. For the first time since the Boxing Day Tsunami, participation rates have fallen below 36.21%, going against a decade long trend of rising participation.
- On average, those individual taxpayers who make tax-deductible donations to DGRs donate approximately 0.43% of their taxable income. This trend has been sustained over the past decade from a starting point of 0.22%.

Gender:

- In 2007-08, 2,257,865 male taxpayers (or 34.47% of male taxpayers) made and claimed tax-deductible donations to DGRs totaling \$1.2 billion. 2,226,085 female taxpayers (or 36.55% of female Australian taxpayers) made and claimed tax-deductible donations to DGRs totaling \$1.14billion in 2007-08.

- The average tax-deductible donation made to DGRs and claimed by Australian male taxpayers in 2007-08 was \$ 532.33 and \$ 513.74 for Australian female taxpayers.
- On average, male Australian taxpayers who made tax-deductible donations to DGRs donated approximately 0.35% of their taxable income, compared to females who donated 0.54% of their taxable income.

State of Residence

- A total of 1,337,925 taxpayers in **New South Wales** claimed tax-deductible donations to DGRs of \$1.05 billion. This amount represented 49.06% of the national total. The next largest donor state was **Victoria** whose taxpayers made and claimed tax-deductible donations to DGRs of \$472.67 million, representing less than 22% of the national total. **Queensland** taxpayers claimed tax-deductible donations totaling \$278.50 million, followed by **Western Australia** with \$151.44 million.
- **New South Wales** taxpayers made and claimed the largest average tax-deductible donation to DGRs of \$788.23 compared to the national average of \$523.10. **Tasmanian** taxpayers had an average gift of \$513.07 followed by the **Australian Capital Territory** with an average tax-deductible donation of \$454.93 and **Victoria** with \$433.49. **Queensland** taxpayers made and claimed an average tax-deductible donation of \$371.08 in 2007-08.

Taxpayers in **New South Wales** donated an average of 0.60% of their taxable incomes, followed by **Tasmania** (0.41%), **Australian Capital Territory** (0.38%) and **Victorian** taxpayers (0.37%). This compares to the national average of 0.37%. Taxpayers in **Queensland** donated an average of 0.28% of their taxable incomes.

Income Bands:

- In 2007-08, the average taxable gift for all taxpayers was \$523.10. The average tax-deductible donations made and claimed by taxpayers in the \$40,001-\$45,000 income band was \$252.90, being 0.26% of their taxable income with 43.17% of taxpayers in this band claiming a tax deductible gift.

- The average tax-deductible donation made and claimed by taxpayers in the less than \$6,001 income band was \$702.39, with 5.94% of taxpayers in this band claiming a tax deductible gift.
- The average tax-deductible donation made to DGRs and claimed by individual taxpayers earning over one million per year was \$102,543.08 (compared to \$48,548.66 last year). Taxpayers earning over \$1 million donated approximately 2.89% of their taxable income to DGRs, compared to the national average of 0.43%.

Tax Deductible Gifts by Postcode

This year, for the third time, we have examined deductible gifts by postcode.

- The postcode with the highest total of tax deductible gifts for 2007-08 was **NSW 2088** (Mosman, Spit Junction) with \$315,534,970 in total, and an average per taxpayer of \$41,737.43 (the highest average gift in the country). This is a significant increase on last year's figure, in which NSW 2027 Point Piper/Darling Point claimed a total of \$57,710,280 deductible gifts and an average of \$25,037. In Victoria, the highest total of tax deductible gifts claimed was **VIC 3142** (Hawkeburn, Toorak) with \$28,016,593 claimed in total, with an average of \$7,665.28.
- The postcode with the highest percentage of taxpayers claiming a gift deduction was VIC 3834 (Churchill) with 63.36% of taxpayers in this postcode claiming a gift. This was then followed by NSW 2661 (Kapooka) with 53.33%.

A database of all deductible gifts claimed between 2005-06, 2006-07 and 2007-08, fully searchable by postcode, can be found on the ACPNS website at

<http://www.bus.qut.edu.au/research/cpns/publications/postcode.php>

Tax Deductible Gifts by Occupation

This year, for the second time, we are able to match occupations declared by taxpayers on their income tax returns with their deductible gifts. This should not be confused with sole trader occupations which has been available for some time, but only captures taxpayers who trade in a business under their own name (i.e. no corporate body or trust involved).

- The highest average gift deductions were claimed by the category of Company representative – industrial, medical etc; Detailer – medical (\$5,864); followed by Coroner; Councillor; Judge – law; Magistrate; Member of parliament; Parliamentarian; State governor (\$2,149) and then Artist; Performing artist (\$1,773)
- The occupation with the highest total claimed gift deductions was Company director; Executive; Manager (type unspecified) (\$249,681,149) followed by Administrator; Call centre operator; Casino worker; Civil servant; Consultant; Contractor; Customer service officer; Foreman; Planner; Public servant; Supervisor; Team Leader (type unspecified in all) (\$55,183,078).
- The occupation with the highest deductible gift to taxable income ratio was Company rep – industrial, medical etc.; Detailer – medical (4.56%) followed by Chaplain; Clergy – member of; Deacon; Minister of religion; Missionary; Nun; Pastor; Preacher; Priest; Rabbi; Rector; Vicar (1.91%) and then, Artists; Performing artist (1.49%).
- The occupation category with the highest percentage of donating taxpayers was Commissioned fire officer; Commissioned police officer and Police inspector (72.88%), followed by Investigator – police; Detective – police; Police officer (68.30%), and then Public policy manager (68.14%).

A database of all deductible gifts claimed in 2006-07 and 2007-08, fully searchable by occupation, can be found on the ACPNS web site at

<http://www.bus.qut.edu.au/research/cpns/publications/postcode.php>



2.0 WHAT IS A TAX-DEDUCTIBLE GIFT?

According to Division 30 of the *Income Tax Assessment Act 1997* (Cth) (ITAA 1997), taxpayers are entitled to claim a tax deduction for gifts (i.e. donations) made during the income year to endorsed Deductible Gift Recipients (DGRs). There are two elements which must be present in order to claim a tax-deduction:

- (a) it must be a gift; and
- (b) it must be made to a DGR.

The term "*gift*" is not defined in either the ITAA 1936 or 1997. As a consequence, it takes on its ordinary meaning.

On 20 July 2005, the ATO released *Taxation Ruling* TR 2005/13 'Tax Deductible Gifts – What is a Gift?' This taxation ruling supersedes several other taxation rulings and determinations and represents the most comprehensive taxation ruling issued by the ATO on the subject of tax-deductible gifts. TR 2005/13 contains 230 paragraphs, 81 worked examples and spans 47 pages.

For a gift to be a tax-deductible donation and claimed as an income tax deduction in personal income tax returns, the gift must usually have the following characteristics:

- there is a transfer of the beneficial interest in property;
- the transfer is made voluntarily;
- the transfer arises by way of benefaction; and
- no material benefit or advantage is received by the giver by way of return.

Generally, for a payment to be considered a gift it must be unfettered, that is, there must be no obligation to do anything in recognition of the gift and no expectation on the part of the donor to receive anything in return for the donation (i.e. no strings attached).

Where a payment constitutes a bona-fide gift, then the donor is entitled to claim the amount given as an income tax deduction under Division 30. In contrast, the following are **not** usually considered gifts:

- purchase of raffle or art union tickets;
- purchase of an item such as a mug, key ring or pen which is not merely a token that promotes the DGR or its activities;
- the cost of attending a fundraising dinner, even if the cost exceeds the value of the dinner. However, there are new contribution rules that apply since 1 July 2004 for minor benefits made to DGRs;
- payments to school building funds as an alternative to an increase in school fees;
- membership fees (except to political parties); and
- payments where the person has an understanding with the recipient that the payment will be used to provide a benefit to the donor.

However, since 1 July 2004 the government has allowed certain contributions, which do not fall under the strict definition of a gift, to be deductible. A deduction is now allowed where the donor receives a benefit in connection with the contribution, provided that certain conditions are met and the benefit does not exceed a specified limit. Broadly, this allows deductions for two separate types of contributions at a deductible gift recipient fundraising event in Australia, namely:

- contributions made in return for a right to participate in a fund-raising event (e.g. the purchase of a ticket to attend a charity ball, fete, dinner, performance or similar charitable fund-raising event); and
- contributions made by way of consideration for the supply of goods and services for successful bidding at a charity auction that is conducted by a deductible gift recipient.

2.1 Categories of Deductible Gift Recipients

Since 1 July 2000, pursuant to Subdivision 30-BA of the ITAA 1997, the Commissioner of Taxation must endorse both Income Tax Exempt Charities (ITECs) and DGRs.

If a DGR is not endorsed by the Commissioner, donors will be unable to claim income tax deductions for gifts made since 1 July 2000 under Division 30 of the ITAA 1997.

Sub-Division 30B of the ITAA 1997 outlines the 12 general categories of entities and funds that have been endorsed by the Commissioner of Taxation as DGRs. The general categories are:

- health (Section 30-20);
- education (Section 30-25);
- research (Section 30-40);
- welfare and rights (Section 30-45);
- defence (Section 30-50);
- environment (Section 30-55);
- the family (Section 30-70);
- international affairs (Section 30-80);
- sports and recreation (Section 30-90);
- philanthropic trusts (Section 30-95);
- cultural organisations (Section 30-100); and
- other recipients consisting of ancillary funds (Section 30-105).

Five new general categories of deductible gift recipient have been allowed since 1 July 2006:

- disaster relief;
- war memorials;
- animal welfare;
- charitable services; and
- educational scholarships.

In addition to the above general categories of funds, authorities, institutions and organisations, gifts of \$2 or more made to recipients specified in Sections 30-15 to 30-100 are also deductible to the donor.

However, these are only the general categories. This is not the full list of DGRs. Donors can check the status of a DGR by searching the Australian Business Register.² As at 31 October 2009 there were nearly 53,000 Tax Concession Charities but only about 26,500 qualify as DGRs able to give tax deductible receipts.

Only certain types of gifts are specifically made tax-deductible under Division 30. These include:

- gifts of \$2 or more (money);
- property which has been purchased by the donor less than 12 months before the gift was made;
- property valued by the Commissioner as over \$5,000;
- trading stock disposed of outside the ordinary course of business;
- cultural gifts, being property made under the Cultural Gifts Program;
- cultural bequests, being property made under the Cultural Bequests Program; and
- heritage gifts

In order to claim the amount of their tax-deductible donation to a DGR, donors are required to keep records of their gifts. DGRs are not required by income tax law to issue receipts for deductible gifts, but most do, as the donor will need a receipt in order to substantiate the claim made.

2.2 New Philanthropic and Giving Taxation Initiatives

2.2.1 Prescribed Private Funds (PPFs) and Private Ancillary Funds (PAFs)

On 26 March 1999, the Prime Minister issued a press release announcing various income tax measures to encourage greater corporate and personal philanthropy in Australia. These new measures included:

² For further information refer to <http://www.abr.business.gov.au>

- establishment of prescribed private funds (PPFs) – now known as Private Ancillary Funds (PAFs);
- tax deductibility for gifts of property over \$5,000;
- 5-year averaging of donations;
- deductions for workplace giving;
- conservation covenants;
- capital gains tax exemption under the Cultural Gifts Program;
- deductions for fundraising dinners and similar events; and
- new DGR category of health promotion charities.

Each of these taxation incentives is discussed below in more detail.

Further incentives have been suggested and developed by the Prime Minister's Community Business Partnership since 1999. These incentives which involve the taxation regime have been rolled out gradually since 1999.³

A PPF is a fund established by will or trust instrument with:

- DGR status (i.e., gifts to it are deductible to the donor);
- normally, income tax exempt status (i.e., its income is exempt from income tax); and
- the ability to attract a variety of other Commonwealth, State and Territory tax and duty concessions.

There is no need for gifts to a PPF to be sought and received from the public and a PPF can be controlled by an individual, family or corporate group. This is a removal of a major barrier to philanthropy, as it was often difficult to satisfy the previous test of "public donations" before a fund would be endorsed as a DGR.

On 1 October 2009 a new regime began for PPFs. Existing PPFs became Private Ancillary Funds (PAFs) and they were taken to be endorsed as deductible gift recipients. The Minister was given power to make guidelines about the establishment and maintenance of PAFs.

³ For further information refer to http://www.fahcsia.gov.au/internet/factsinternet.nsf/communities/pmcbbp_pubs.htm

Each trustee of an existing PPF was taken to have agreed to comply with PAF Guidelines. Only a constitutional corporation can be a trustee of a PAF.

The administration of PAFs was vested fully in the Commissioner of Taxation, subject to some transitional provisions. The Commissioner has power to:

- endorse PAFs as deductible gift recipients and tax concession charities or income tax exempt funds;
- revoke endorsement;
- impose administrative penalties on trustees, and their directors; and
- suspend, remove and replace trustees.

The legislative changes are contained in *Tax Laws Amendment (2009 Measures No. 4) Act 2009* (Cth) which received Royal Assent on 18 September 2009. The PAF Guidelines were signed on 28 September 2009 and a model trust deed was released soon after by the Australian Taxation Office.

The PAF Guidelines are a legislative instrument and so have legal effect, in contrast to the guidelines that applied to PPFs. PAFs must agree to comply with the Guidelines.

In each financial year, a PAF must distribute to deductible gift recipients an amount equal to at least 5% of the market value of its net assets as at the end of the previous financial year. The market value of the assets must be estimated as specified in the Guidelines.

A PAF must not acquire a collectable, may not carry on a business, and may not solicit donations from the public. A PAF is also limited in the donations it can accept from 'outsiders'.

A PAF must have and maintain a current investment strategy and subject to some exceptions, may not borrow or maintain an existing borrowing. The trustee must prepare and maintain a current investment strategy meeting the requirements of the PAF Guidelines. Special obligations are also imposed on the independent responsible person on the board of directors of the trustee.

The Guidelines contain some exceptions/qualifications in respect of the above rules, and the Guidelines and Act contain transitional provisions in respect of certain PPFs that existed before 1 October 2009.

Further information on PPFs is available in CPNS Current Issues Paper 2010/1 available at <http://www.bus.qut.edu.au/research/cpns/publications/>

A dynamic graph of PPF growth is available on the Centre's web site at <http://www.bus.qut.edu.au/research/cpns/publications/giving-statistics.jsp>

2.2.2 Gifts of Property Over \$5,000

From 1 July 2001 changes to the legislation enabled donors to claim a tax deduction for gifts of property held by the donor and valued at more than \$5,000 by the Commissioner of Taxation. This deduction was backdated to apply from 1 July 1999 and extends to property donated to approved environmental and heritage organisations. Previously, the deduction was only available where the property was purchased within 12 months of being donated.

Tax Laws Amendment (2007 Measures No. 2) Act 2007 made several amendments to the *Income Tax Assessment Act 1997* to promote philanthropy. To promote philanthropic giving, the Government announced in the 2006-07 Budget that it would allow a tax deduction for the donation of certain publicly listed shares to deductible gift recipients, extending the current gift provisions.

The amendments allow a tax deduction for donations of shares in listed public companies, which were acquired at least 12 months before the donation, and have a market value of \$5,000 or less. Donors can claim a deduction for the market value of the shares as at the day they made the gift.

2.2.3 5 Year Averaging of Donations

Donors now have the ability to spread the following types of gifts over a period of up to 5 income years:

- cash donations in excess of \$5,000 (which took effect from 1 July 2003);
- property valued by the Commissioner in excess of \$5,000 (which took effect from 1 July 1999); and
- cultural gifts made through the Cultural Gifts Program (which took effect from 1 July 1999).

2.2.4 Deductions for Workplace Giving

Workplace giving programs (which took effect from 1 July 2002) are designed to give employees the opportunity to make regular donations to a DGR through regular payroll deductions. Employees receive immediate tax benefits, as employers are able to reduce the amount of PAYG withholding tax from that employee's pay.

2.2.5 Conservation Covenants

Certain types of conservation covenants over land, entered into on or after 1 July 2002, will be eligible for an income tax deduction and concessional capital gains tax treatment.

2.2.6 The Cultural Gifts Program – Capital Gains Tax Exemption

Since 1 July 1999, bequests of property and gifts of cultural property made through the Cultural Gifts Program are exempt from capital gains tax, thus maximising the appreciated value of these gifts for tax deduction purposes.

2.2.7 Deductions for Fundraising Dinners and Similar Events

Since 1 July 2004, individual taxpayers are, in certain circumstances, able to receive a tax deduction for 'contributions' in the form of a ticket to a charity fundraising dinner. The deduction initially applied to contributions above \$250, where the value of the benefit received (for example, a meal or entertainment) was no more than 10% of the total contribution or \$100, whichever was less. The provision also relates to goods purchased at fundraising auctions.

Further changes were made from 1 January 2007 to reduce the minimum contribution threshold to \$150 (previously \$250), to allow a greater number of charities to use the measure for fundraising. The value of the minor benefit allowed was increased to 20 per cent of the gift – or ticket price – but not exceeding a value of \$150 (previously 10% not exceeding \$100).

2.2.8 Health Promotion Charities

A new DGR category known as Health Promotion Charities is entitled to the same benefits as Public Benevolent Institutions. This category commenced in 2002, but is back-dated to the 1997/98 year. It allows a tax deduction for gifts to charitable institutions whose principal

activity is to promote the prevention or the control of behaviour that is harmful or abusive to human beings.

2.2.9 Donations to political parties and other candidates

Before 22 June 2006, former item 3 in the table contained in section 30-15(2) ITAA 1997 provided that a deduction to a political party registered under *Commonwealth Electoral Act 1918* Pt XI may be allowable but was limited to \$100 and could not be claimed by a company. From 22 June 2006, under Subdiv 30-DA ITAA 1997:

- the tax deductible threshold for political contributions is \$1,500 for an income year;
- deductions are allowed for contributions made to political parties registered under state and territory, as well as federal, electoral legislation;
- gifts to independent candidates and independent members may be deductible; and
- companies may be entitled to deductions.

Tax Laws Amendment (2008 Measures No. 1) Bill 2008 was passed by the House of Representatives on 21 February 2008 and introduced to the Senate on 11 March 2008. Schedule 1 of the Bill amends the income tax law to remove tax deductibility for contributions or gifts to political parties, independent members and candidates. The measure applies in relation to contributions and gifts made on or after 1 July 2008. The Senate referred the provisions of Schedule 1 to the Joint Standing Committee on Electoral Matters for inquiry and report by June 2009. Further, the *Tax Laws Amendment (Political Contributions and Gifts) Bill 2008* was passed by the Senate on Tuesday, 3 February 2009 with amendments. The message from the Senate was reported on 4 February 2009. At the time of writing, the Bill was awaiting royal assent. Amendments will be retrospective to 1 July 2008. Individual taxpayers will still be able to claim a tax deduction for such gifts to \$1,500 due to amendments.

2.2.10 Five new general categories of deductible gift recipient from 1 July 2006:

- **Australian disaster relief funds** – public funds for relief of people in distress as a result of a declared disaster which occurred in Australia;
- **animal welfare charities** – charitable institutions that provide short-term direct care and/or rehabilitate certain animals;

- **charitable services institutions** – charitable institutions that would be public benevolent institutions but for their health promotion and/or harm prevention activities;
- **war memorial repair funds** – public funds established and maintained for the reconstruction or critical repair of a qualifying war memorial; and
- **developed country disaster relief funds** – public funds established by a public benevolent institution for relief of people in distress as a result of a declared disaster in a developed country.

2.2.11 Educational Scholarships

From 1 July 2006, a public fund established for charitable purposes is eligible for endorsement as a DGR by the Commissioner if its sole purpose is to provide money for scholarships, bursaries or prizes to which section 30-37 of the ITAA 1997 applies.

A scholarship, bursary or prize to which the section applies is one which:

- may only be awarded to Australian citizens, or permanent residents of Australia, within the meaning of the *Australian Citizenship Act 1948*;
- is open to individuals or groups of individuals throughout a region of at least 200,000 people, or throughout at least an entire state or territory;
- promotes recipients' education in either or both of:
 - pre-school courses, primary courses, secondary courses or tertiary courses,
 - educational institutions overseas, by way of study of a component of one of the above courses; and
- is awarded on merit or for reasons of equity (e.g. for students who are experiencing financial disadvantage or hardship).

Scholarships and bursaries are ongoing or one-off benefit payments for school fees, textbooks and related educational expenses such as uniforms or travel. A prize is an award of money or property that is usually conferred for reasons of merit such as academic achievement, but may also be for reasons of equity.

2.2.12 Share Gifts

From 1 July 2007, if you make a gift of listed shares valued at \$5,000 or less that you acquired at least 12 months earlier, you could be eligible to claim a deduction. For the gift to be tax deductible, **all** of the following requirements must be met:

- The shares were acquired in a listed public company;
- When the shares were gifted, they were listed for quotation on the official list of an Australian stock exchange;
- The shares were gifted to a deductible gift recipient;
- The shares were acquired at least 12 months before they were gifted; and
- The market value of the shares was \$5,000 or less on the day they were gifted.



3.0 TAX-DEDUCTIBLE DONATIONS BY INDIVIDUAL TAXPAYERS 2007-08

This section of the paper analyses the nature and extent of tax-deductible donations to DGRs claimed by Australian individual taxpayers in their 2007-08 income tax returns.

As mentioned in the Executive Summary, the information presented is based on the amount and type of tax-deductible donations made to DGRs and claimed by Australian individual taxpayers for the period 1 July 2007 to 30 June 2008. This information has been extracted mainly from the ATO's publication *Taxation Statistics 2007-08*.⁴ The 2007-08 report is the latest report that has been made publicly available.

This study uses information based on published ATO material and represents only the extent of tax-deductible donations made to DGRs and claimed by Australian taxpayers at Item *D8 Gifts or Donations* in their individual income tax returns for the 2008 income year, and that have been processed by 31 October 2009. The data do not include corporate taxpayers as there is no provision on corporate taxpayers' tax returns to disclose gifts made to DGRs. Expenses such as raffles, sponsorships, fundraising purchases (e.g., sweets, tea towels, special events) or volunteering are generally not deductible as 'gifts'.

The *Giving Australia* Report used a more liberal definition of gift to arrive at an estimated total of giving at \$11 billion for 2005 (excluding Tsunami giving of \$300 million). The \$11 billion total comprised \$5.7 billion from adult Australians, \$2 billion from charity gambling or special events and \$3.3 billion from business sources.⁵

⁴ The data represent information in tax returns for the 2007-08 year processed by the ATO as at 31 October 2009. It also includes some additional data supplied directly by the ATO to ACPNS researchers.

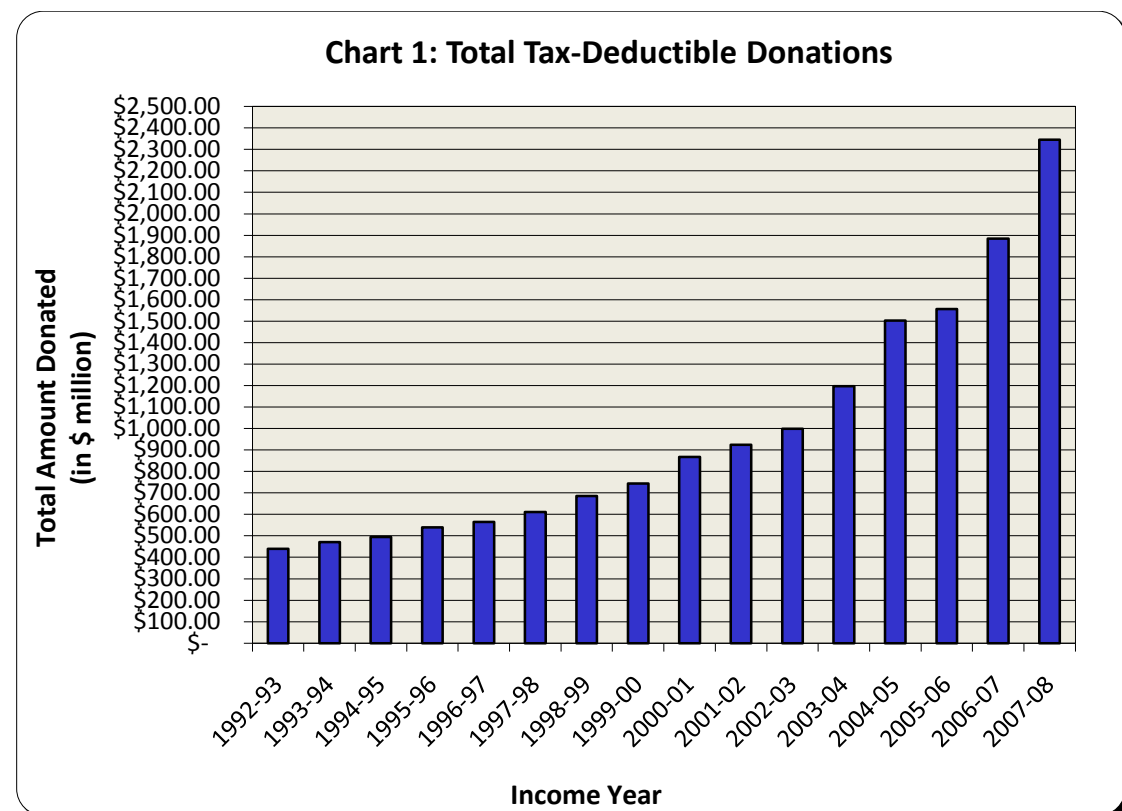
⁵ A copy of Giving Australia is available at: <http://www.bus.qut.edu.au/research/cpns/publications/>

3.1 Individual Taxpayer Donations

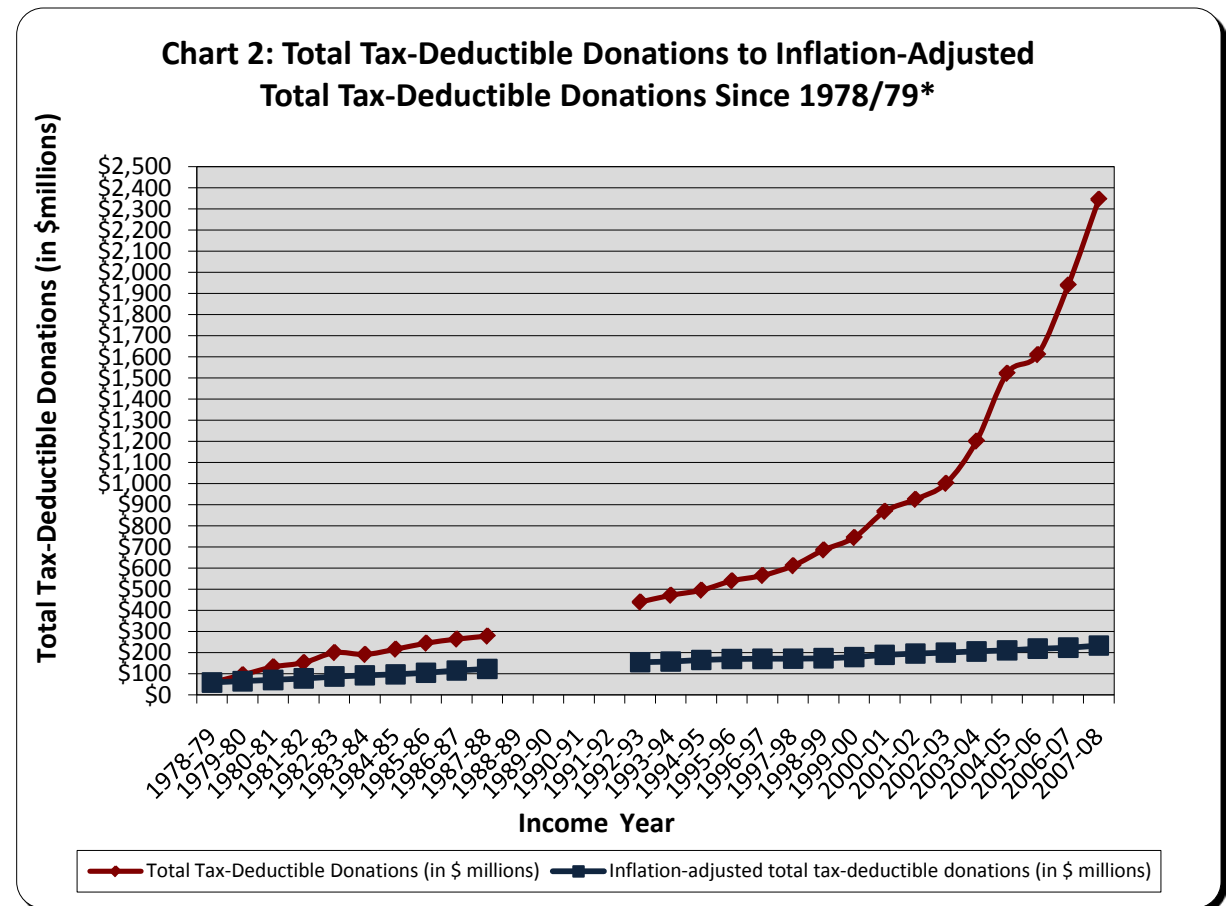
Table 1 in the Appendix to this paper (which forms the basis of Charts 1 to 6) contains data relating to the amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2007-08 income tax return and revised data for previous income years.

According to ATO Statistics, in 2007-08 a total of 4.48 million individual taxpayers made and claimed tax-deductible donations to DGRs totaling \$2.35 billion. This represented an increase of \$461 million (or 24.46%) from the previous income year's total of \$1.89 billion. Gift deductions represent 7% of all personal taxpayer deductions. This compares to deductions for tax agent fees claimed by Australian taxpayers in 2007-08, which totaled \$16.1 billion, or 5% of all personal taxpayer deductions.

Chart 1: Total Tax-Deductible Donations shows a fifteen year comparison of the total amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers between the 1992-93 and 2007-08 income years.



As *Chart 2*, below, depicts, using a base year of 1978-79, the actual total tax-deductible donations made by Australian taxpayers far exceeds inflation as measured by the Consumer Price Index (CPI).



* Disclosure of tax-deductible donations was not required in income tax returns from 1988-1992.

Chart 3: Percentage of Donating Taxpayers to Total Taxpayers (overleaf) reveals that in 2007-08, 35.47% of the Australian taxpaying population (or 4.48 million Australian taxpayers) made and claimed tax-deductible donations. Put another way, more than one in three Australian taxpayers donated money to DGRs and claimed tax deductions for these amounts during the 2007-08 income year.

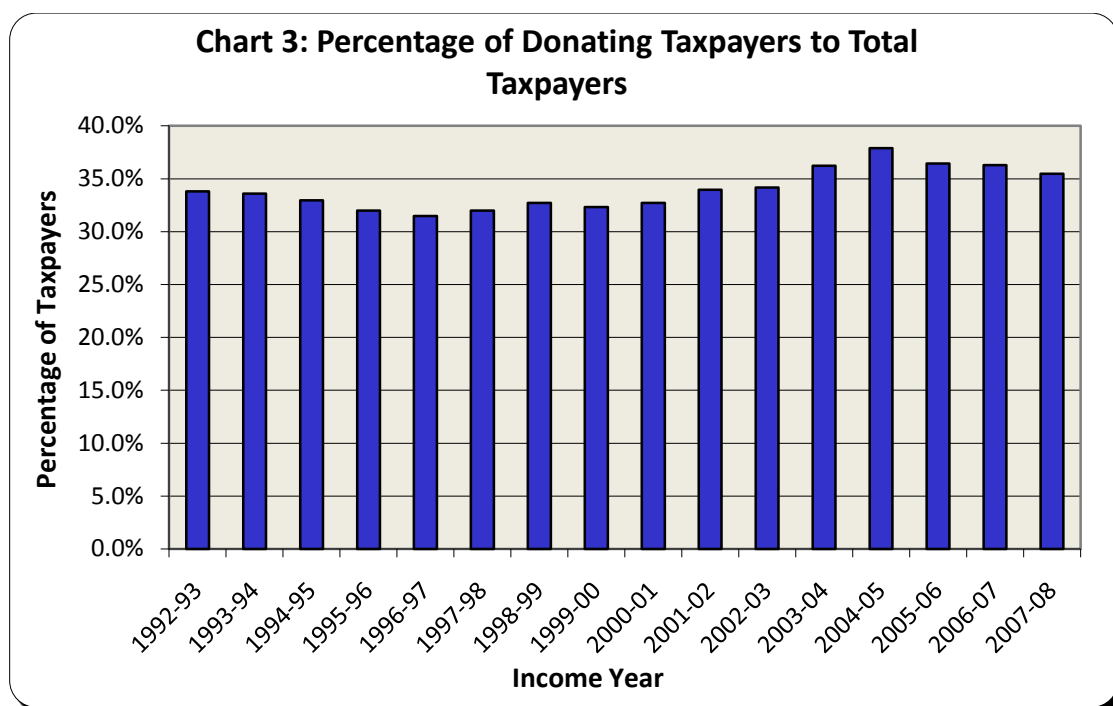


Chart 4 Total Donating Taxpayers to Total Taxpayers shows the number of taxpayers who claimed tax-deductible donations to DGRs against the total number of taxpayers in 2007-08.

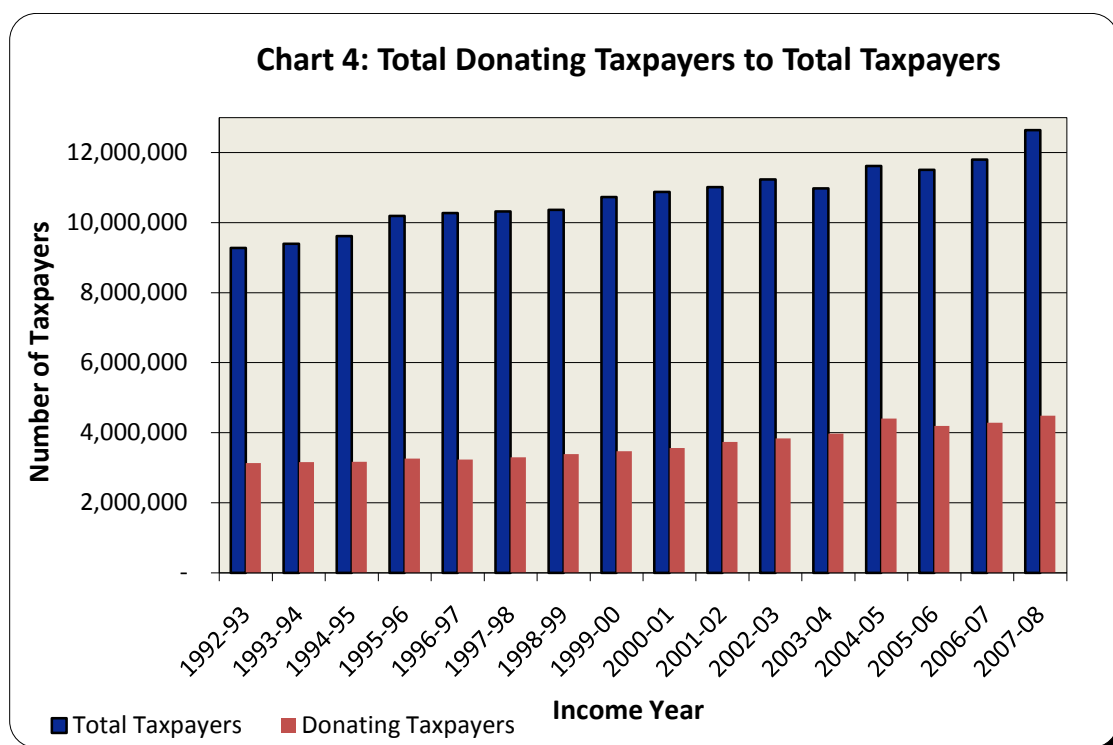


Chart 4 reveals that since 1995-96, the number of donating Australian taxpayers has increased from 3,259,236 to 4,483,955, whilst, in comparison, the total number of taxpayers (both taxable and non-taxable) has increased from 10,188,613 to 12,640,765 for the same period.

This leads to the conclusion that the number of donating taxpayers (31.99% in 1995-96 to 35.47% in 2007-08) is more than keeping pace with the total numerical growth of Australian individual taxpayers. However, while the actual number of taxpayers claiming a deductible gift in 2007-08 increased by 200,985 (24.46%), the percentage of total taxpayers claiming a tax-deductible gift fell for the third year in a row (35.47% in 2007-08; 36.30% in 2006-07; and 36.45% in 2005-06). In the year of the Tsunami, participation jumped from 34.16% to 36.21%.

Chart 5: Average Tax-Deductible Donation shows a comparison of the average tax-deductible donation made to a DGR and claimed by individual Australian taxpayers from 1992-93 to 2007-08. The average tax-deductible donation made to DGRs and claimed by Australian taxpayers for 2007-08 was \$523.10. This represented an increase of \$83.09 (or 19.05%) since the previous income year, in which the average donation was \$440.01

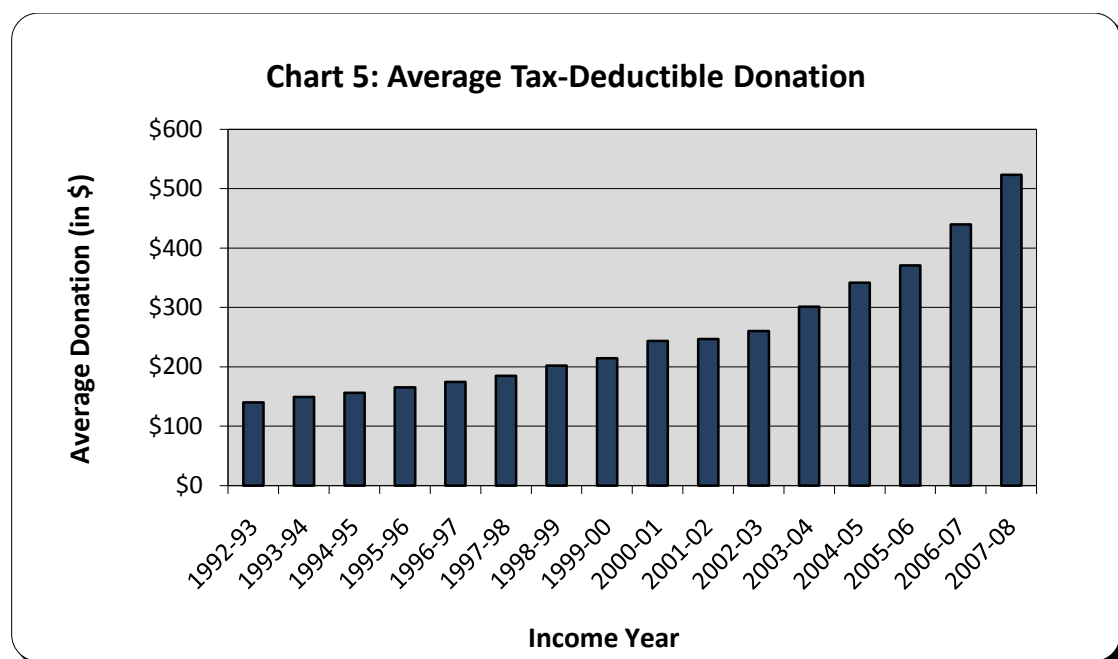
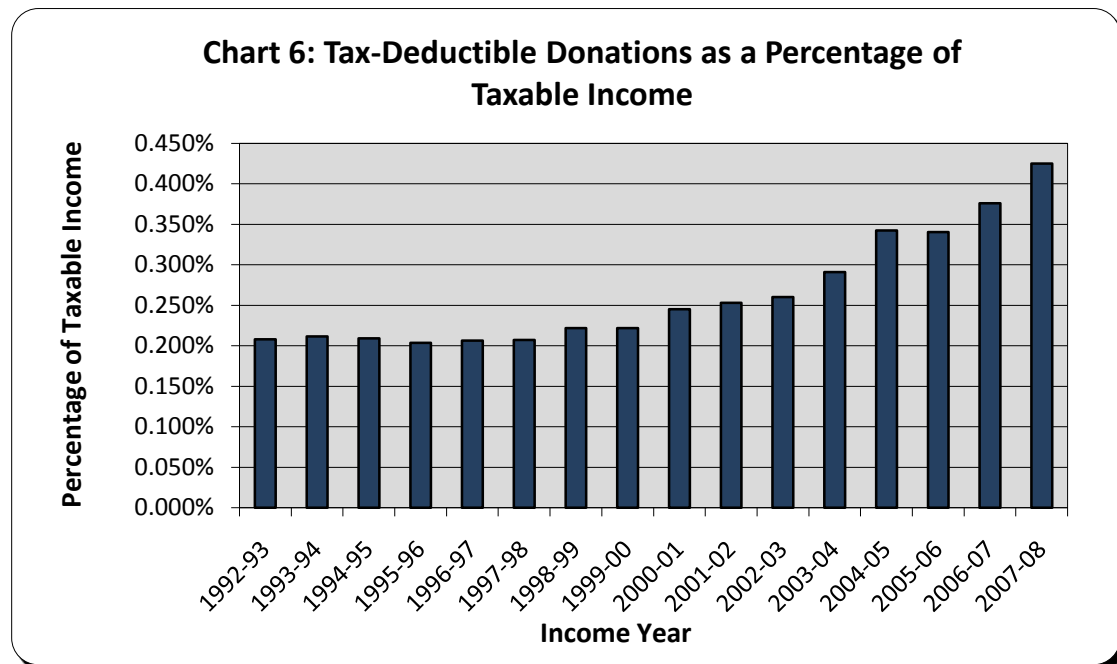


Chart 6: Tax-Deductible Donations as a Percentage of Taxable Income graphs the percentage of taxable income that Australians donate to DGRs and claim as tax deductions.



The chart reveals that in 2007-08, on average, those individual taxpayers who make tax-deductible donations to DGRs donate approximately 0.43% of their taxable income. Once again, this trend has been increasing slightly over the past decade, except in 2005-06 where revised figures resulted in a decrease.

3.1.1 Summary and Discussion

Based on the data extracted from Table 1 in the Appendix (comprising Charts 1 to 6), our analysis reveals that Australians are claiming more tax-deductible donations to DGRs than ever before.

There has been a slight fall in the percentage of taxpayers claiming a tax deductible gift in 2007-08, but the *total amount claimed* in 2007-08 was the highest total since records have been kept, i.e. since 1992-93.

The ATO also provides data on gifts as a percentage of total income. More than half of the taxpayers claiming gifts fall in the bracket between 0-0.25% accounting for \$142,991,054 or 6.10% of claimed deductible gifts. Those who claim more than 10% of their total income as deductible gifts account for 45.27% of all deductible gifts.

Table 1: Individuals' gifts as a percentage of total income, for the 2007-08 income year

| Percentage of taxable income claimed as a deductible gift | No. of claiming taxpayers | \$ value of gifts |
|---|---------------------------|----------------------|
| More than 0 to 0.25 | 2,536,275 | 142,991,054 |
| More than 0.25 to 0.5 | 664,200 | 141,333,148 |
| More than 0.5 to 0.75 | 344,850 | 125,712,061 |
| More than 0.75 to 1 | 219,655 | 107,101,197 |
| More than 1 to 2 | 376,225 | 263,508,743 |
| More than 2 to 3 | 125,360 | 134,900,253 |
| More than 3 to 4 | 60,895 | 89,931,214 |
| More than 4 to 5 | 35,205 | 68,667,154 |
| More than 5 to 6 | 22,840 | 51,124,646 |
| More than 6 to 7 | 16,335 | 43,900,108 |
| More than 7 to 8 | 12,460 | 40,647,768 |
| More than 8 to 9 | 9,870 | 38,985,408 |
| More than 9 to 10 | 8,495 | 34,905,304 |
| More than 10 | 51,285 | 1,061,841,403 |
| Total | 4,483,955 | 2,345,549,461 |

Source: Table 3 – Individuals gifts' as a percentage of total income, Australian Taxation Office (2009) Taxation Statistics 2007-08)



3.2 Individual Taxpayer Donations by GENDER

Table 2 in the Appendix to this paper (which forms the basis of Charts 7 to 10) contains data relating to the amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2007-08 income tax return according to gender.

Chart 7 shows the Total Tax-Deductible Donations by Gender. In 2007-08, 2,257,865 male taxpayers made and claimed tax-deductible donations to DGRs totaling \$1.2 billion. This represents 51.24% of the total tax deductible donations made and claimed in 2007-08. A total of 2,266,085 female taxpayers made and claimed tax-deductible donations to DGRs totaling \$1.14 billion in 2007 – 08.

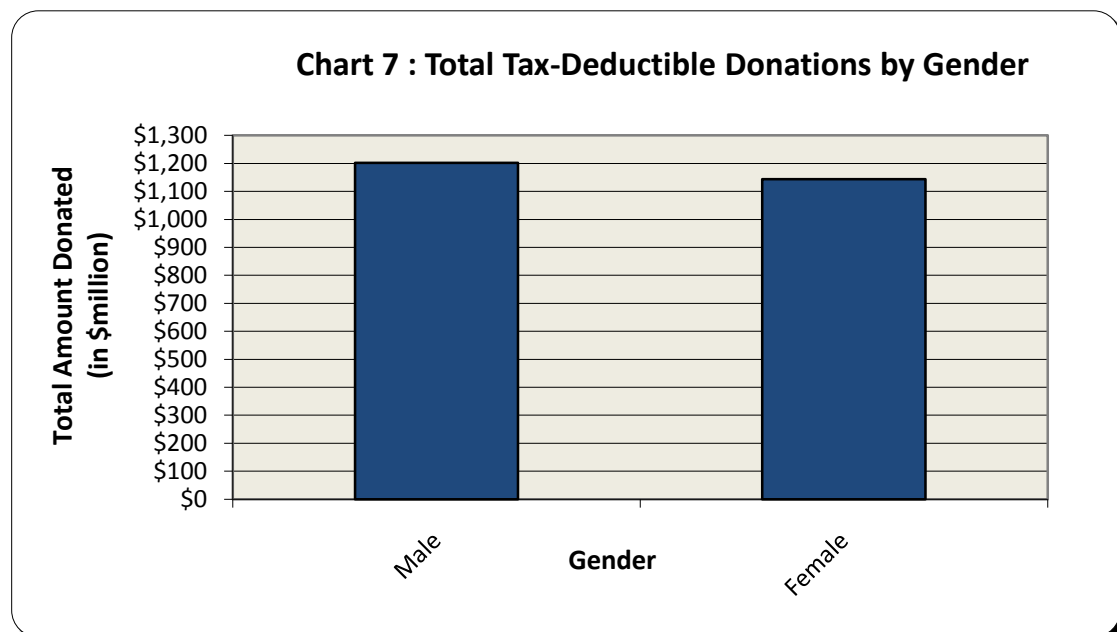


Chart 8: Percentage of Donating Taxpayers to Total Taxpayers by Gender reveals that in 2007-08, 34.47% of Australian male taxpayers and 36.55% of Australian female taxpayers made and claimed tax-deductible donations to DGRs. The combined average was 35.47%.

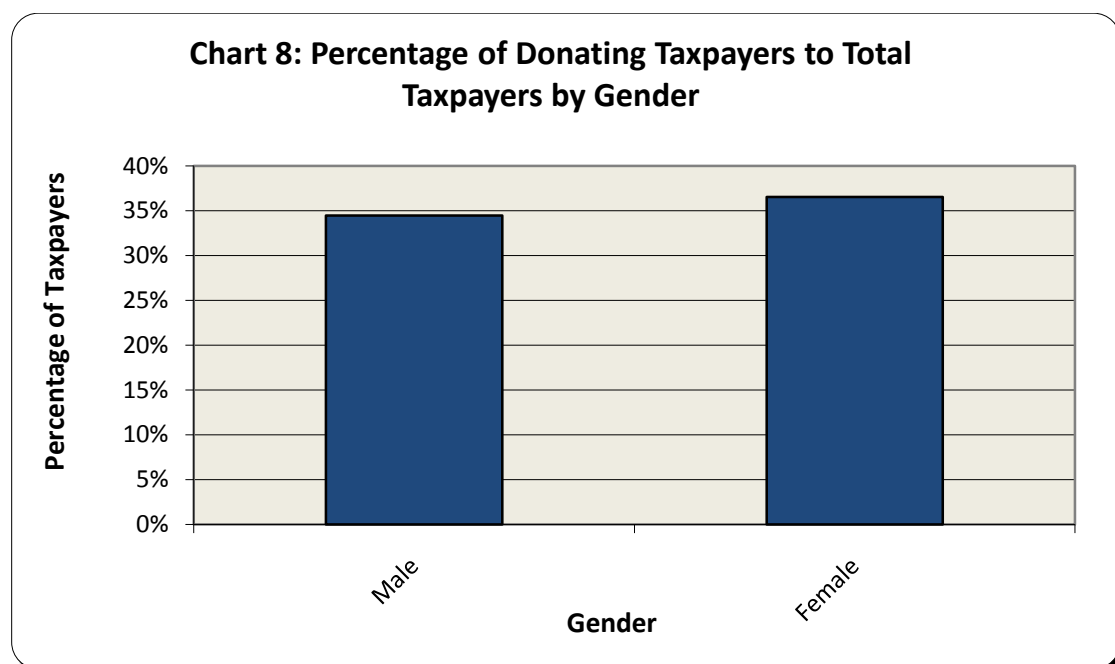


Chart 9: Average Tax-Deductible Donation by Gender reveals that the average tax-deductible donation made to DGRs and claimed in 2007-08 by Australian male taxpayers was \$532.33, while the average tax-deductible donation for Australian female taxpayers was \$513.74. These figures represent a 2.33% increase in the average donation claimed by males in 2006-07 and a 44.02% increase for females.

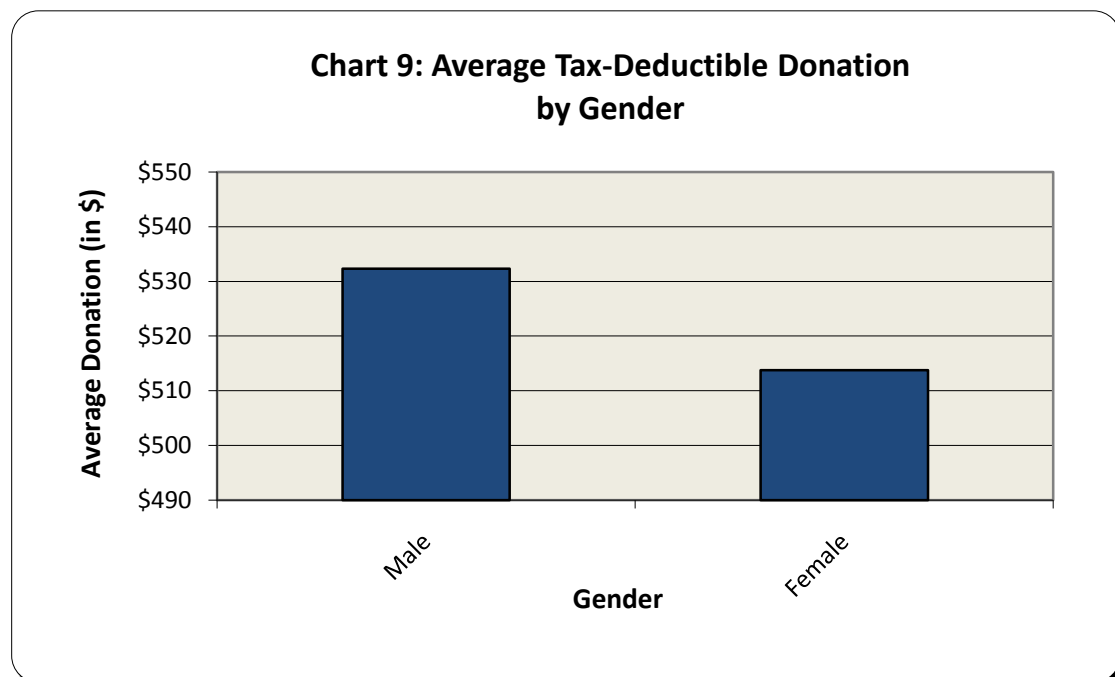
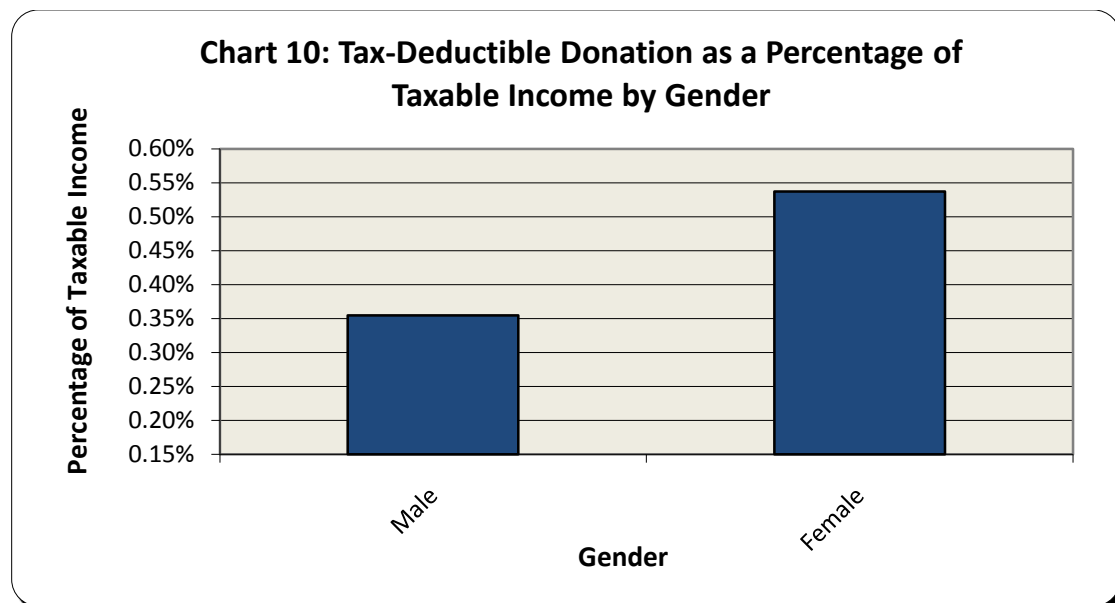


Chart 10: Tax-Deductible Donations as a Percentage of Taxable Income by Gender graphs the amount of tax-deductible donations made relative to the taxpayers' taxable income. The chart reveals that in 2007-08, on average, male Australian taxpayers who donated to DGRs claimed 0.35% of their taxable income in tax-deductible donations, while female taxpayers who made donations to DGRs claimed 0.54% of their taxable income.



3.2.1 Summary and Discussion

Based on the data extracted from Table 2 in the Appendix (forming the basis of Charts 7 to 10), our analysis reveals that there is little difference in the amount of tax-deductible giving between male and female Australian taxpayers.

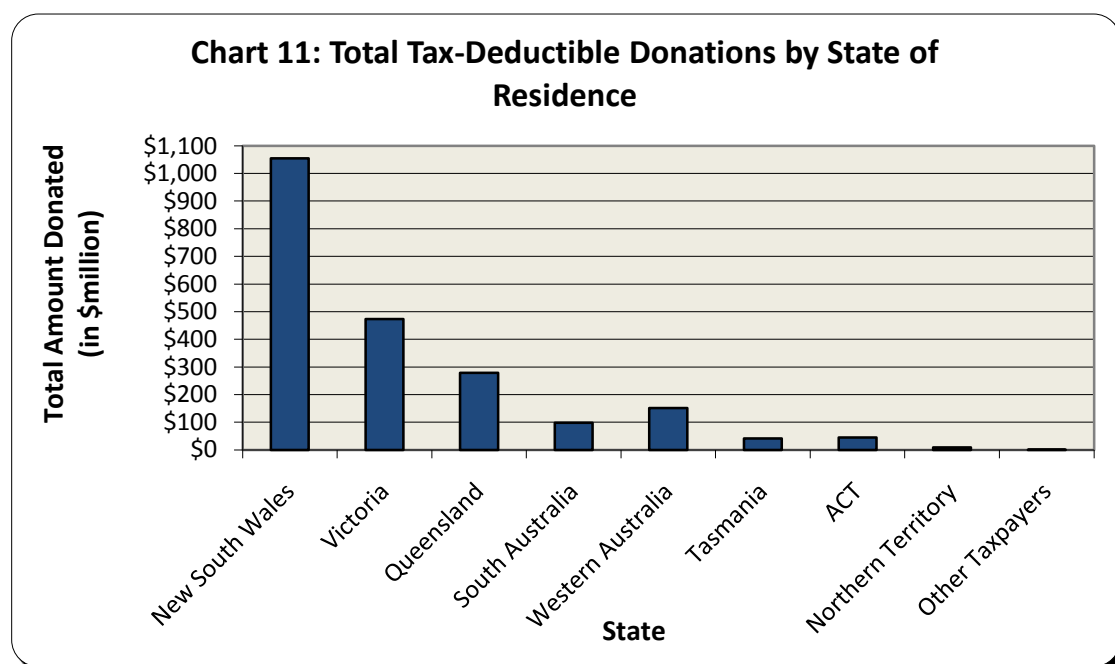
Whilst more male taxpayers made and claimed tax-deductible donations to DGRs than female taxpayers (both in terms of total and average tax-deductible donations), when it came to percentage increases in average tax-deductible donations, female taxpayers far out-stripped their male counterparts; a 44.02% increase for females between 2006-07 and 2007-08, and 2.33% for males during the same period. Female taxpayers also donated more to DGRs when expressed as a percentage of their respective taxable incomes than males (0.35% for males and 0.54% for females).

In terms of donating taxpayers as a percentage of total taxpayers expressed by gender, our analysis revealed very little difference between the percentages of donating male taxpayers compared with donating female taxpayers. In 2007-08, 34.47% of male taxpayers made and claimed tax-deductible donations to DGRs compared to 36.55% of female taxpayers. The combined average was 35.47%.

3.3 Individual Taxpayer Donations by STATE OF RESIDENCE

Table 3 in the Appendix to this paper (which forms the basis of Charts 11 to 14) contains data relating to the amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2007-08 income tax returns according to their state of residence.

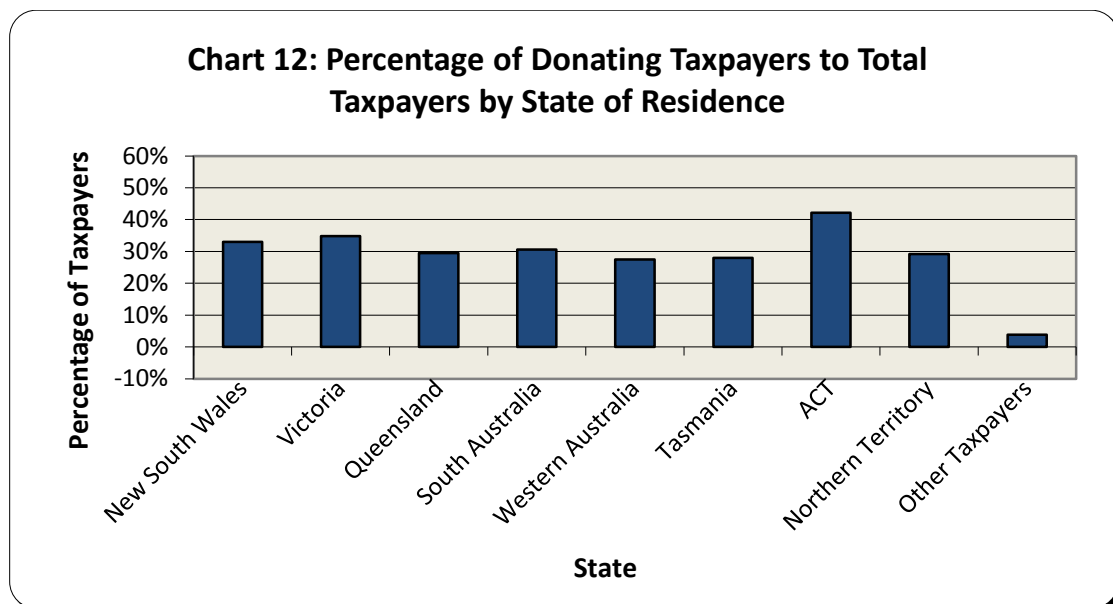
Chart 11: Total Tax-Deductible Donations by State of Residence reveals that in 2007-08, **New South Wales** taxpayers made the most tax-deductible donations to DGRs.



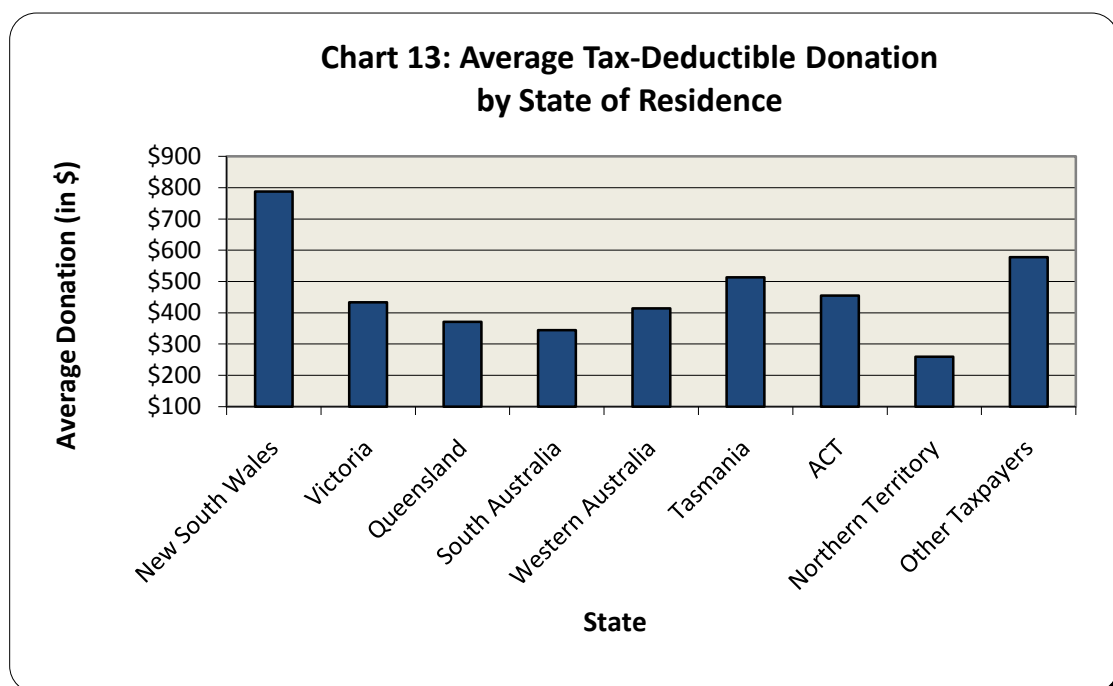
In 2007-08, a total of 1,337,925 taxpayers in New South Wales claimed tax-deductible donations to DGRs totalling \$1.05 billion. This amount represented almost 49.06% of the national total. The next largest donor state was Victoria with 1,090,375 taxpayers claiming tax-deductible donations to DGRs of \$472.67 million, representing 21.99% of the national total.

Overall, 750,505 Queensland taxpayers donated a total of \$278.5 million (representing 12.96% of the national total). Together, these three states accounted for 84.01% of total tax-deductible donations made to DGRs in 2007-08.

Chart 12: Percentage of Donating Taxpayers to Total Taxpayers by State of Residence reveals that 42.2% of total taxpayers in the **Australian Capital Territory** made and claimed tax-deductible donations to DGRs in 2007-08. In Victoria, 34.83% of taxpayers made and claimed tax-deductible donations to DGRs, followed by New South Wales with 33.01% and South Australia with 30.56%. The national average was 31.96% (compared to 36.30% in 2007-08). In Queensland, 29.45% of taxpayers made and claimed tax-deductible donations to DGRs.

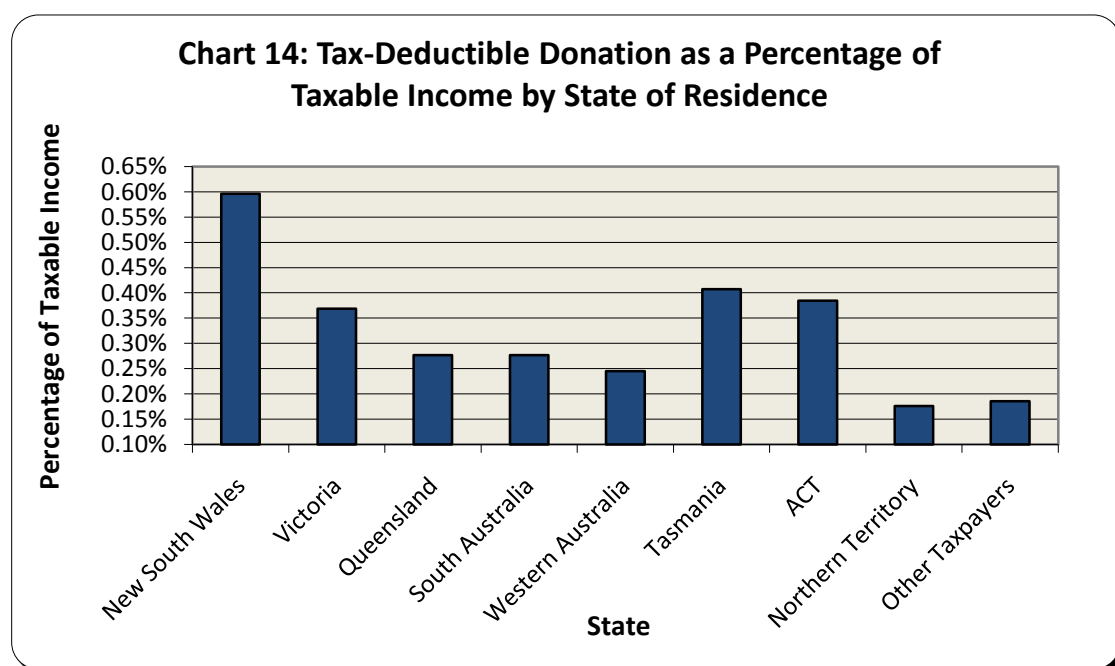


In terms of average tax-deductible donations per state, *Chart 13: Average Tax-Deductible Donation by State of Residence* reveals that in 2007-08, residents in **New South Wales** made and claimed the largest average tax-deductible donation to DGRs of \$788.23.



This was then followed by 'Other taxpayers' (who ATO describe as non-residents for Australian taxation purposes) who claimed an average tax deductible donation of \$577.60. Following on from other taxpayers, were Tasmanian taxpayers who donated on average \$513.07 to DGRs. The national average for tax-deductible donations made to DGRs was \$523.10. Taxpayers in Queensland claimed, on average, \$371.08 in tax deductible donations.

Chart 14: Tax-Deductible Donations as a Percentage of Taxable Income by State of Residence graphs the amount of the tax-deductible donations relative to the taxable income of taxpayers across each state.



The chart reveals that in 2007-08, **New South Wales** taxpayers donated approximately 0.59% of their taxable income to DGRs, followed by Tasmania with 0.41% of their taxable income, compared to the national average of 0.43%. Taxpayers in the Australian Capital Territory donated an average of 0.38% of their income to DGRs, while Victorian taxpayers donated an average of 0.37% of their taxable income. Taxpayers in Queensland donated 0.28% of their income to DGRs.

3.3.1 Size of gifts claimed by state and territory

For the second time, the ATO has provided information on the number and value of gifts claimed by taxpayers in each state and territory. This provides an indication of the level of giving by dollar value across states and territories in 2007-08.

For example, Table 2 shows that in New South Wales there were 275,540 taxpayers who claimed deductible gifts under \$25 which accounted for \$4,188,422 of donations to DGRs. At the other end of the scale in New South Wales, there were 1,835 taxpayers who claimed gifts of more than \$25,000 amounting in total to \$576,081,400 in donations claimed.

Data on the number and value of gifts for states other than New South Wales is available via Tables 3 – 9.

| Table 2: Number and value of gifts claimed by taxpayers in NEW SOUTH WALES 2007-08 | | |
|--|--------------------------|---------------------------|
| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
| More than 0 to 25 | 275,540 | 4,188,422 |
| More than 25 to 50 | 250,355 | 10,510,331 |
| More than 50 to 250 | 502,875 | 64,947,185 |
| More than 250 to 1,000 | 349,085 | 175,445,982 |
| More than 1,000 to 5,000 | 91,380 | 178,213,300 |
| More than 5,000 to 10,000 | 8,695 | 59,438,981 |
| More than 10,000 to 25,000 | 4,035 | 59,014,973 |
| More than 25,000 | 1,835 | 576,081,400 |
| Total | 1,483,795 | 1,127,840,574 |

Table 3: Number and value of gifts claimed by taxpayers in VICTORIA 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|-----------------------------------|--------------------------|---------------------------|
| More than 0 to 25 | 263,745 | 4,102,737 |
| More than 25 to 50 | 248,825 | 10,529,303 |
| More than 50 to 250 | 402,320 | 49,717,555 |
| More than 250 to 1,000 | 228,280 | 115,921,881 |
| More than 1,000 to 5,000 | 56,400 | 107,198,913 |
| More than 5,000 to 10,000 | 5,135 | 34,872,055 |
| More than 10,000 to 25,000 | 2,265 | 33,418,161 |
| More than 25,000 | 1,195 | 170,286,206 |
| Total | 1,208,165 | 526,046,811 |

Table 4: Number and value of gifts claimed by taxpayers in QUEENSLAND 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|-----------------------------------|--------------------------|---------------------------|
| More than 0 to 25 | 247,555 | 3,522,536 |
| More than 25 to 50 | 158,140 | 6,517,077 |
| More than 50 to 250 | 241,210 | 29,802,075 |
| More than 250 to 1,000 | 148,215 | 74,345,070 |
| More than 1,000 to 5,000 | 36,065 | 69,202,412 |
| More than 5,000 to 10,000 | 3,645 | 24,985,671 |
| More than 10,000 to 25,000 | 1,340 | 19,068,004 |
| More than 25,000 | 480 | 77,166,046 |
| Total | 836,650 | 304,608,891 |

Table 5: Number and value of gifts claimed by taxpayers in SOUTH AUSTRALIA 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|-----------------------------------|--------------------------|---------------------------|
| More than 0 to 25 | 89,625 | 1,294,884 |
| More than 25 to 50 | 61,775 | 2,483,542 |
| More than 50 to 250 | 90,080 | 11,068,855 |
| More than 250 to 1,000 | 61,070 | 30,950,864 |
| More than 1,000 to 5,000 | 14,005 | 25,905,044 |
| More than 5,000 to 10,000 | 1,135 | 7,687,563 |
| More than 10,000 to 25,000 | 500 | 7,097,236 |
| More than 25,000 | 185 | 23,361,399 |
| Total | 318,370 | 109,849,387 |

Table 6: Number and value of gifts claimed by taxpayers in WESTERN AUSTRALIA 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|-----------------------------------|--------------------------|---------------------------|
| More than 0 to 25 | 104,105 | 1,558,458 |
| More than 25 to 50 | 78,635 | 3,271,403 |
| More than 50 to 250 | 120,505 | 15,100,712 |
| More than 250 to 1,000 | 79,475 | 40,433,662 |
| More than 1,000 to 5,000 | 19,600 | 36,735,025 |
| More than 5,000 to 10,000 | 1,815 | 12,443,625 |
| More than 10,000 to 25,000 | 775 | 11,390,817 |
| More than 25,000 | 320 | 54,774,722 |
| Total | 405,225 | 175,708,424 |

Table 7: Number and value of gifts claimed by taxpayers in TASMANIA 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|--|---------------------------------|----------------------------------|
| More than 0 to 25 | 29,800 | 436,619 |
| More than 25 to 50 | 17,565 | 730,745 |
| More than 50 to 250 | 24,055 | 2,920,429 |
| More than 250 to 1,000 | 14,900 | 7,633,742 |
| More than 1,000 to 5,000 | 3,780 | 7,108,973 |
| More than 5,000 to 10,000 | 375 | 2,502,546 |
| More than 10,000 to 25,000 | 145 | 2,058,264 |
| More than 25,000 | 50 | 20,655,946 |
| Total | 90,670 | 44,047,264 |

Table 8: Number and value of gifts claimed by taxpayers in AUSTRALIAN CAPITAL TERRITORY 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|--|---------------------------------|----------------------------------|
| More than 0 to 25 | 25,245 | 348,897 |
| More than 25 to 50 | 14,785 | 610,171 |
| More than 50 to 250 | 29,260 | 3,829,794 |
| More than 250 to 1,000 | 27,500 | 14,300,845 |
| More than 1,000 to 5,000 | 8,015 | 14,709,073 |
| More than 5,000 to 10,000 | 515 | 3,514,858 |
| More than 10,000 to 25,000 | 240 | 3,371,376 |
| More than 25,000 | 90 | 7,427,556 |
| Total | 105,655 | 48,112,570 |

Table 9: Number and value of gifts claimed by taxpayers in NORTHERN TERRITORY 2007-08

| Value of the deductible gift (\$) | No. of gifting taxpayers | Total value of gifts (\$) |
|--|---------------------------------|----------------------------------|
| More than 0 to 25 | 8,390 | 132,269 |
| More than 25 to 50 | 8,085 | 351,248 |
| More than 50 to 250 | 11,105 | 1,403,968 |
| More than 250 to 1,000 | 6,405 | 3,196,989 |
| More than 1,000 to 5,000 | 1,290 | 2,349,527 |
| More than 5,000 to 10,000 | 100 | 701,084 |
| More than 10,000 to 25,000 | 35 | 531,690 |
| More than 25,000 | 10 | 668,765 |
| Total | 35,420 | 9,335,540 |

3.3.2 Summary and Discussion

Based on the data extracted from Table 3 in the Appendix (comprising Charts 8 to 14), our analysis reveals that New South Wales taxpayers made and claimed the largest amount of tax-deductible donations to DGRs in 2007-08. Taxpayers from this state also made the highest average tax-deductible donation to DGRs.

Taxpayers residing in the Australian Capital Territory have in recent years had the highest percentage of taxpayers claiming a tax-deductible gift, and this was once again the case for 2007-08. For the third year in a row New South Wales has ranked at 1st place in terms of percentage of taxable income claimed as a tax deductible gift. Going against a two year trend, in 2007-08 Victoria failed to outrank the Australian Capital Territory in the percentage of taxable income donated to DGRs.

Again, since the establishment of the PPFs in 2001, there has been a marked increase in both total and average tax-deductible donations made by taxpayers residing in both New South Wales and Victoria where it is believed that the majority of PPFs and their donors are located.

3.4 Individual Taxpayer Donations by STATE AND POSTCODE OF RESIDENCE

For the third year in a row, the ATO has provided information that allows us to drill down beyond state of residence to examine the postcode of residence for taxpayers who claimed a tax-deductible gift in 2007-08. A search tool for all Australian postcodes which will retrieve all the relevant deductible gift data for the years 2005-06 to 2007-08 is available from the ACPNS website:

<http://www.bus.qut.edu.au/research/cpns/postcode.php>

Tables 5 and 6 in the Appendix (which form the basis for Tables 10 to 13 in this working paper) list the top five postcodes in each state by highest total claimed gifts and highest average claimed gift. There appears to be a relationship between the wealth of the taxpayers in each postcode and the total of the postcode's total tax deductible gifts claimed. *Table 10* lists the postcode in each state with the highest total of gifts claimed. Again, most locations are inner CBD pockets of wealth in capital cities.

| State & Postcode | Places within Postcode | Total gifts claimed (\$) |
|-----------------------------|---|---------------------------------|
| NSW 2088 | Mosman, Spit Junction | 315,534,970 |
| VIC 3142 | Hawksburn, Toorak | 28,016,593 |
| QLD 4567 | Castaways Beach, Noosa Heads, Sunrise Beach, Sunshine Beach | 22,248,003 |
| SA 5061 | Hyde Park, Malvern, Unley, Unley BC, Unley DC, Unley Park | 5,173,547 |
| WA 6026 | Kingsley, Woodvale | 8,533,454 |
| TAS 7004 | Battery Point, South Hobart | 16,226,017 |
| ACT 2602 | Ainslie, Dickson, Downer, Hackett, Lyneham, O'Connor, Watson | 4,363,380 |
| NT 0810 | Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri | 1,593,021 |

For the first time since postcode data was recorded, NSW 2027 (including the suburbs of Darling Point, Edgecliff, HMAS Rushcutters and Point Piper) did *not* rank as the Australia's number one postcode in terms of highest total gifts claimed. Instead this spot was taken NSW 2088 which includes the postal delivery locations of Mosman and Spit Junction. It should be noted however, that NSW 2027 (the 2006-07 highest ranked postcode in total gifts claimed in 2006-07), while not appearing in Table 10 above, did rank as the NSW postcode with the

second highest total gifts claimed for 2007-08, with residents claiming a total of \$40,524,670.

In 2006-07, NSW 2088 recorded \$55,979,149 in total gifts claimed, however this figure jumped to \$315,534,970 in 2007-08. It is not known what has driven this increase, but an individual large donation such as the establishment of a PPF might be responsible.

The states of Queensland, South Australia, Western Australia and Tasmania also saw shifts in the postcode that claimed the highest total of tax deductible donations to DGRs. *Table 11* shows the changes that have occurred between 2005-06 and 2007-08 and shows that the postcodes in the Northern Territory and Victoria have remained constant across the three financial years in terms of highest total gifts claimed, while postcodes in South Australia and Western Australia have changed every year.

Table 11: Highest TOTAL Gifts Claimed by Taxpayers by POSTCODE for each State 2005-06, 2006-07 and 2007-08

| | 2005-06 | 2006-07 | 2007-08 |
|------------|--|---|---|
| NSW | 2027 Darling Point, Edgecliff, HMAS Rushcutters, Point Piper | 2027 Darling Point, Edgecliff, HMAS Rushcutters, Point Piper | 2088 Mosman, Spit Junction |
| VIC | 3142 Hawksburn, Toorak | 3142 Hawksburn, Toorak | 3142 Hawksburn, Toorak |
| QLD | 4217 Benowa, Bundall, Bundall BC, Chevron Island, Gold Coast MC, Isle of Capri, Main Beach, Surfers Paradise | 4217 Benowa, Bundall, Bundall BC, Chevron Island, Gold Coast MC, Isle of Capri, Main Beach, Surfers Paradise | 4567 Castaways Beach, Noosa Heads, Sunrise Beach, Sunshine Beach |
| SA | 5062 Brown Hill Creek, Clapham, Hawthorn, Kingswood, Lower Mitcham, Lynton, Mitcham, Mitcham Shopping Centre, Netherby, Springfield, Torrens Park | 5006 North Adelaide, North Adelaide, Melbourne Street | 5061 Hyde Park, Malvern, Unley, Unley BC, Unley DC, Unley Park |
| WA | 6012 Mosman Park | 6010 Claremont, Claremont North, Karrakatta, Mount Claremont, Swanbourne | 6026 Kingsley, Woodvale |
| TAS | 7250 Blackstone Heights | 7250 Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Norwood Venue PO, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Travellers | 7004 Battery Point, South Hobart |

Table 11: Highest TOTAL Gifts Claimed by Taxpayers by POSTCODE for each State 2005-06, 2006-07 and 2007-08

| | | | |
|------------|---|--|--|
| | | Rest, Trevallyn, Waverley, West Launceston | |
| ACT | 2602 Ainslie, Dickson, Downer, Hackett, Lyneham, O'Connor, Watson | 2602 Ainslie, Dickson, Downer, Hackett, Lyneham, O'Connor, Watson | 2602 Ainslie, Dickson, Downer, Hackett, Lyneham, O'Connor, Watson |
| NT | Other Represents unknown/invalid postcodes and postcodes with less than 50 taxpayers. | 0810 Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri | 0810 Alawa, Brinkin, Casuarina, Coconut Grove, Jingili, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri |

Table 12 identifies the postcode in each state whose taxpayers had the largest average claimed deductible gift. Again, a clear link can be made in most cases to postcodes which one would expect to contain significant numbers of wealthy taxpayers. As is to be expected, there is also a link between highest *total* gifts claimed and highest *average* gifts claimed, with NSW 2088 and QLD 4567 taking out the highest rankings for each of these categories in their respective states.

For the second year in a row, postcode SA 5354 recorded the highest average gift in South Australia, however the average gift amount decreased from \$11,104 in 2006-07 to \$3,665 in 2007-08. The average gift in Western Australia also saw movement, however it *increased* rather than decreased. In 2006-7, WA 6282 recorded an average gift of \$25,428, while in 2007-08 the average gift claimed had almost doubled to \$50,518 for postcode WA 6078.

Table 12: Highest AVERAGE Gifts Claimed by Gifting Taxpayers 2007-08 by POSTCODE for each State

| State & Postcode | Places within Postcode | Av. Gift per gifting taxpayer (\$) |
|------------------|--|------------------------------------|
| NSW 2088 | Mossman, Spit Junction | 41,737 |
| VIC 3944 | Portsea | 11,712 |
| QLD 4567 | Castaways Beach, Noosa Heads, Sunrise Beach, Sunshine Beach | 13,862 |
| SA 5354 | Bakara, Bakara Well, Fisher, Greenways Landing, Langs Landing, Marks Landing, Naidia, Punyelroo, Sunnydale, Swan Reach | 3,665 |
| WA 6078 | Marginiup, Pinjar | 50,518 |
| TAS 7004 | Battery Point, South Hobart | 9,630 |
| ACT 2601 | Acton, Black Mountain, Canberra, City | 1,337 |
| NT 0846 | Adelaide River | 1,776 |

Table 13 indicates the postcode in each state with the greatest participation rate by all taxpayers in that postcode. This does not appear to be obviously related to wealth of taxpayers. The postcode with the highest percentage rate (VIC 3842 – 63.26%) is located approximately 160 kilometres south west of Melbourne, and postcode 2661 in New South Wales is located south west of Wagga Wagga. The postcodes with the highest participation rates remain the same as last year across all of the states except that of New South Wales and Victoria.

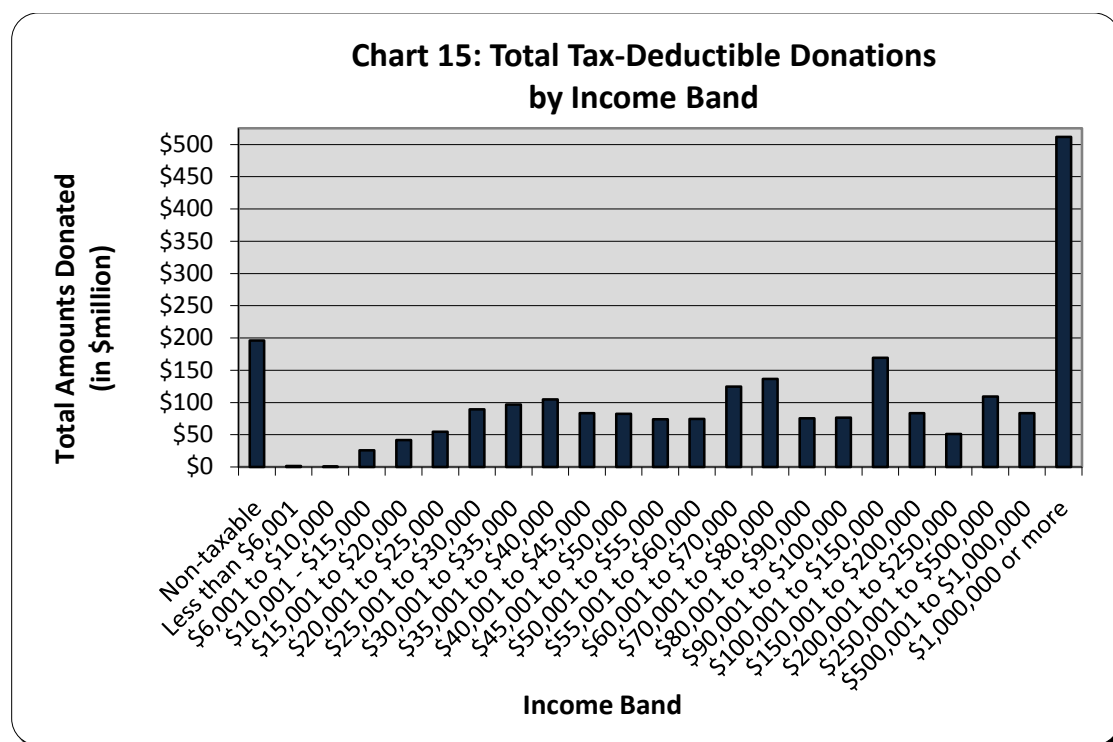
Table 13: Highest PERCENTAGE of Taxpayers claiming a Gift 2007-08 by POSTCODE for each State

| State & Postcode | | Places within Postcode | % of taxpayers claiming a gift |
|------------------|------|---|--------------------------------|
| NSW | 2661 | Kapooka | 53.33% |
| VIC | 3842 | Churchill | 63.26% |
| QLD | 4850 | Abergowrie, Allingham, Bambaroo, Bemerside, Blackrock, Braemeadows, Coolbie, Cordelia, Dalrymple Creek, Forrest Beach, Foresthome, Gairloch, Garrawalt, Halifax, Hawkins Creek, Helens Hill, Ingham, Lannercost, Long Pocket, Lucinda, Macknade, Mount Fox, Orient, Peacock Siding, Taylors Beach, Toobanna, Trebonne, Upper Stone, Valley Of Lagoons, Victoria Estate, Victoria Plantation, Wallaman, Wharps, Yuruga | 43.42% |
| SA | 5461 | Balaklava, Bowillia, Dalkey, Erith, Everard Central, Goyder, Halbury, Hoskin Corner, Mount Templeton, Saints, Stow, Watchman, Whitwarta | 43.73% |
| WA | 6753 | Newman | 46.48% |
| TAS | 7053 | Bonnet Hill, Taroona | 38.71% |
| ACT | 2605 | Curtin, Garran, Hughes | 46.12% |
| NT | 0853 | Tindal | 36.56% |

3.5 Individual Taxpayer Donations by INCOME BAND

Table 4 in the Appendix to this paper (which forms the basis of Charts 15 to 18) contains data relating to the amount of tax-deductible donations made to DGRs and claimed by individual Australian taxpayers in their 2008 income tax return, according to income bands.

Chart 15: Total Tax-Deductible Donations by Income Band reveals that in 2007-08 total tax-deductible donation made to DGRs and claimed by individual taxpayers earning over \$1,000,000 per year was \$511.69 million (compared to \$226.96 million in 2006-07). Giving by taxpayers in this income band represented 21.82% of the total gifts claimed in the year.



Individual Australian taxpayers with non-taxable income claimed \$196.04 million in tax-deductible gifts, representing 8.36% of the total tax-deductible donations made and claimed by individual Australian taxpayers in 2007-08. Individual Australian taxpayers in the \$70,001 - \$80,000 income band claimed \$136.62 million. This represented 5.82% of the total tax-deductible donations made and claimed by individual Australian taxpayers in that year.

Chart 16: Percentage of Donating Taxpayers to Total Taxpayers by Income Band shows the percentage of individual taxpayers who made and claimed tax-deductible donations to total taxpayers, by income band in 2007-08. The figures reveal that there is a fairly smooth increasing trend from lower to higher income bands; 5.94% of claiming taxpayers in the less than \$6,001 income band to 63.12% for those with over \$1 million in taxable income. The exception to this trend is the \$70,001 to \$80,000 income band which showed a smaller percentage of donating taxpayers to total taxpayers than the \$60,001 - \$70,000 income band.

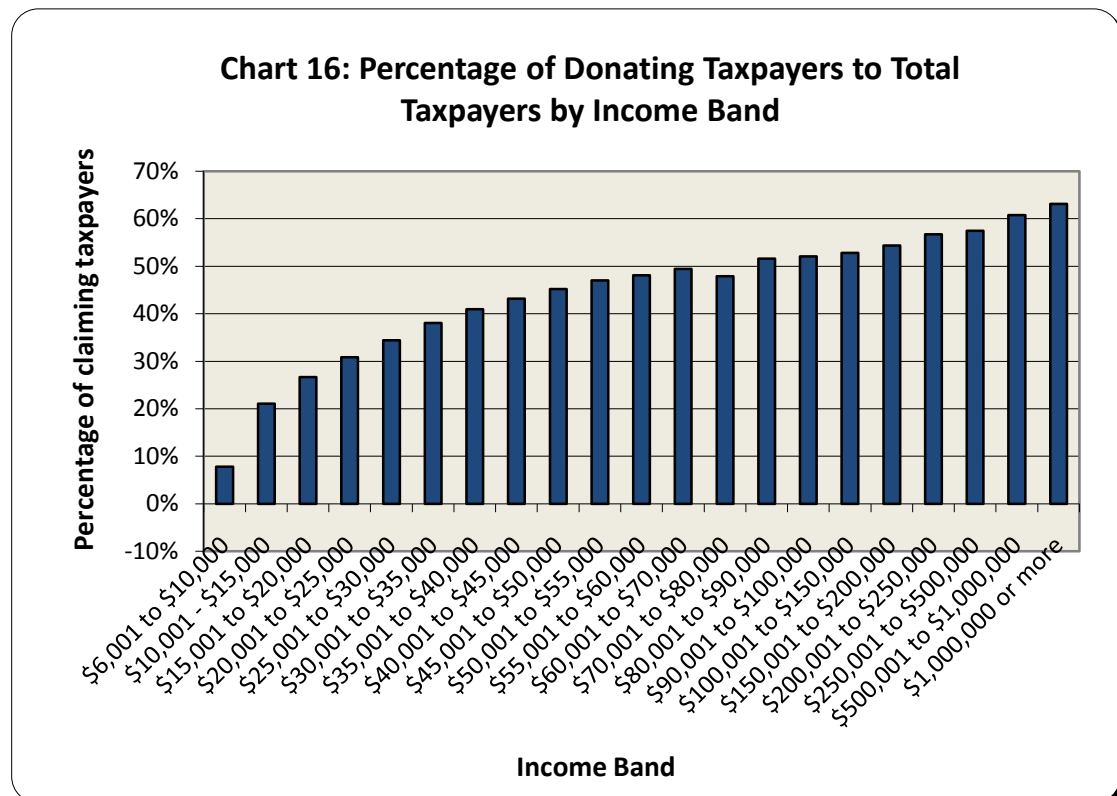


Chart 17: Average Tax Deductible Donation by Income Band shows, in general terms, the more one earns, the more one claims as a tax deductible donation. Whilst the average tax-deductible donation was \$523.10 in 2007-08, donating taxpayers with a taxable income over \$1 million per year claimed an average of \$102,543.08 in tax deductible donations (compared to the 2006-07 figure of \$48,548.66). Interestingly, the average tax-deductible donation made and claimed by taxpayers in the less than \$6,001 income band was \$702.39 (\$179.29 higher than the national average).

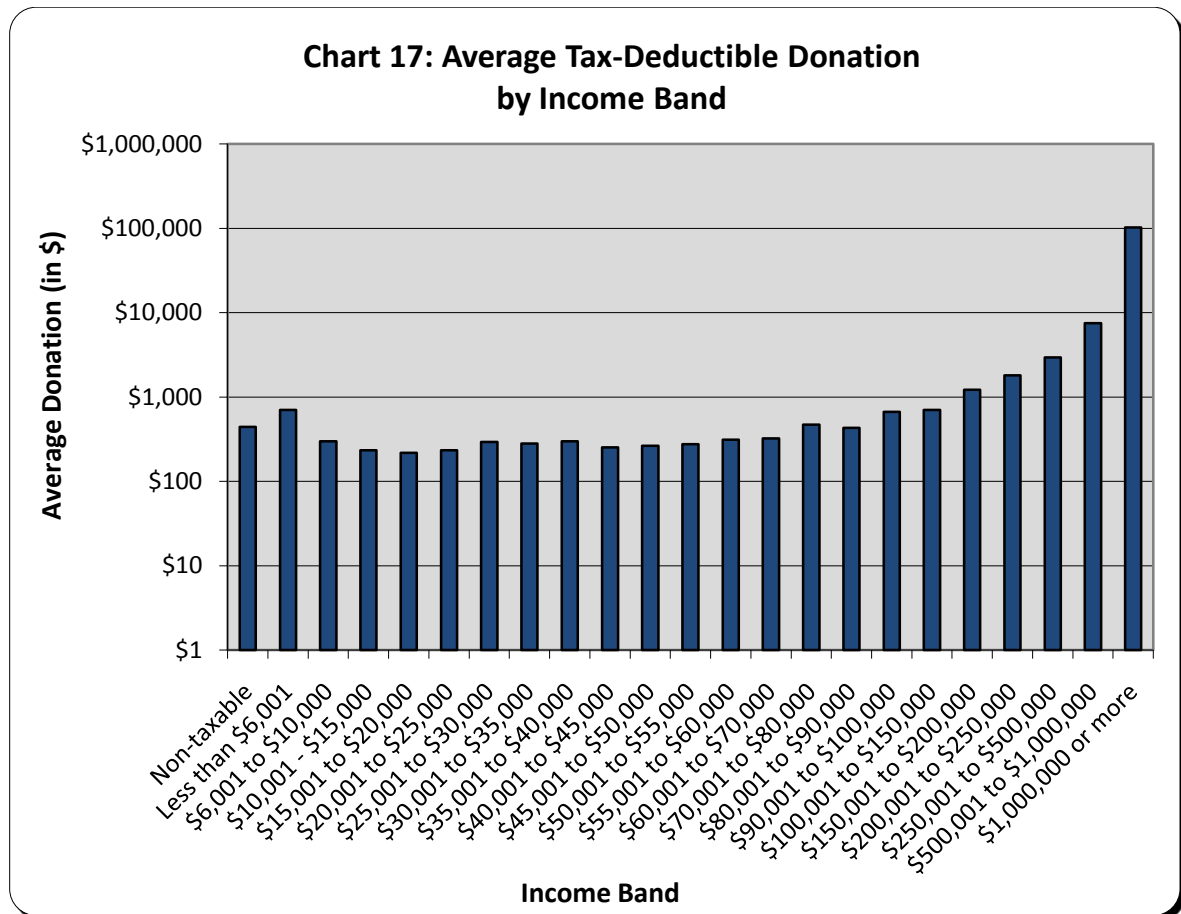
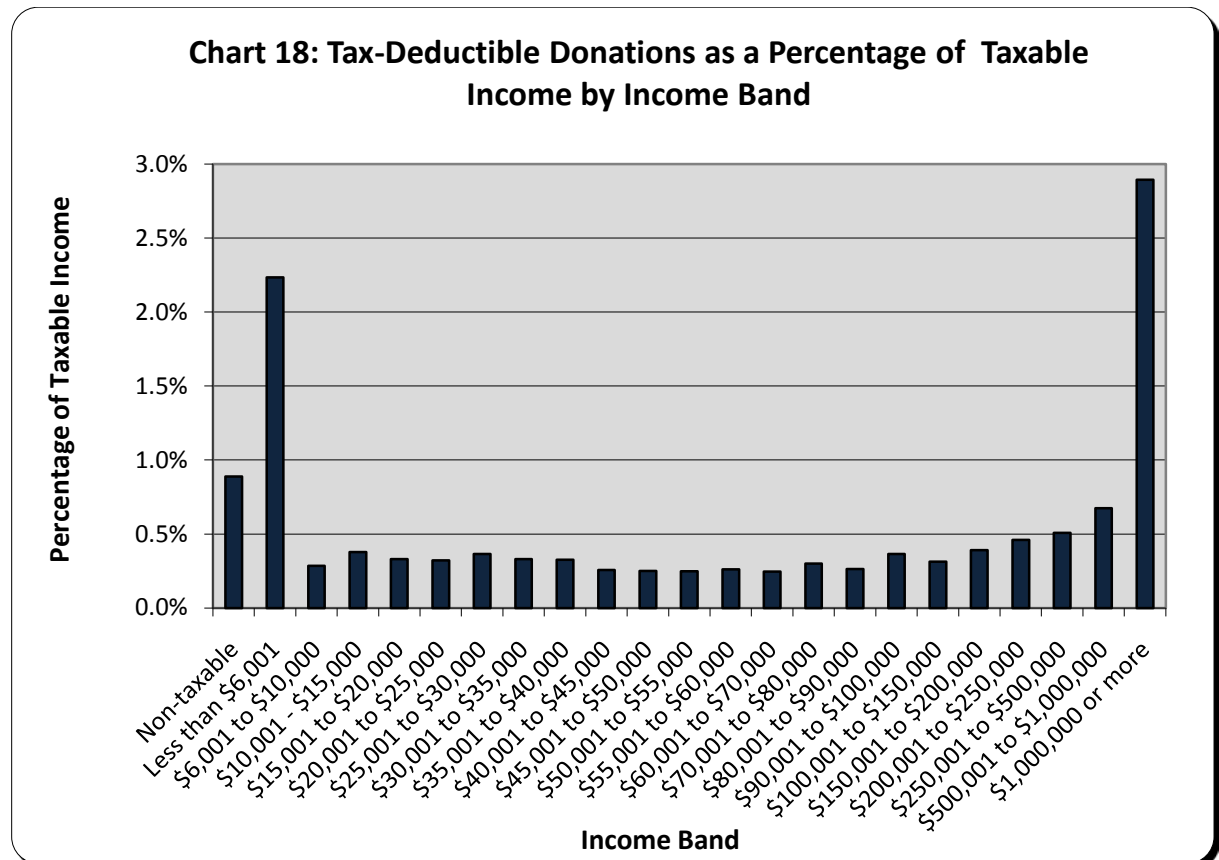


Chart 18: Tax-Deductible Donations as a Percentage of Taxable Income by Income Band graphs the amount of tax-deductible donations relative to the taxable incomes of donating taxpayers across each income band. The chart clearly shows that those with a taxable income over \$1 million donated the highest percentage of their income (2.89%). This represents more than a 100% increase from last year's figure of 1.37%. Closely following the \$1 million plus income band were taxpayers in the less than \$6,001 income band, who do donated 2.24% of their taxable income in 2007-08.



3.5.1 Summary and discussion

Based on the data extracted from Table 4 in the Appendix (forming the basis of Charts 15 to 18), our analysis supports the general contention that the greater the taxable income, the greater the amount of tax-deductible donations made to DGRs and claimed by Australian taxpayers.

A total of 4,990 taxpayers with taxable incomes of more than \$1 million, made and claimed tax-deductible donations to DGRs in 2007-08 totaling \$511.69 million. This represented 21.82% of all tax-deductible donations in 2007-08.

However, taxpayers with a taxable income between \$6,001 and \$10,000 the average claimed gift was \$299.62, with 7.83% of taxpayers in this income band claim a gift. Taxpayers in this income band donated 0.29% of their taxable income.

3.6 Taxpayer Donations by INDUSTRY CLASSIFICATION

According to the ATO Statistics for 2007-08, 59.49% of total taxpayers were salary and wage earners and not carrying on a business under their own name (that is, not a company or trust etc). Table 7 in the Appendix to this paper (which forms the basis of Charts 19 to 22) contains data relating to the amount of tax-deductible donations made and claimed by individual Australian taxpayers carrying on a business as a sole trader in their 2007-08 income tax return according to their Australian New Zealand Standard Industry Classification (ANZSIC).

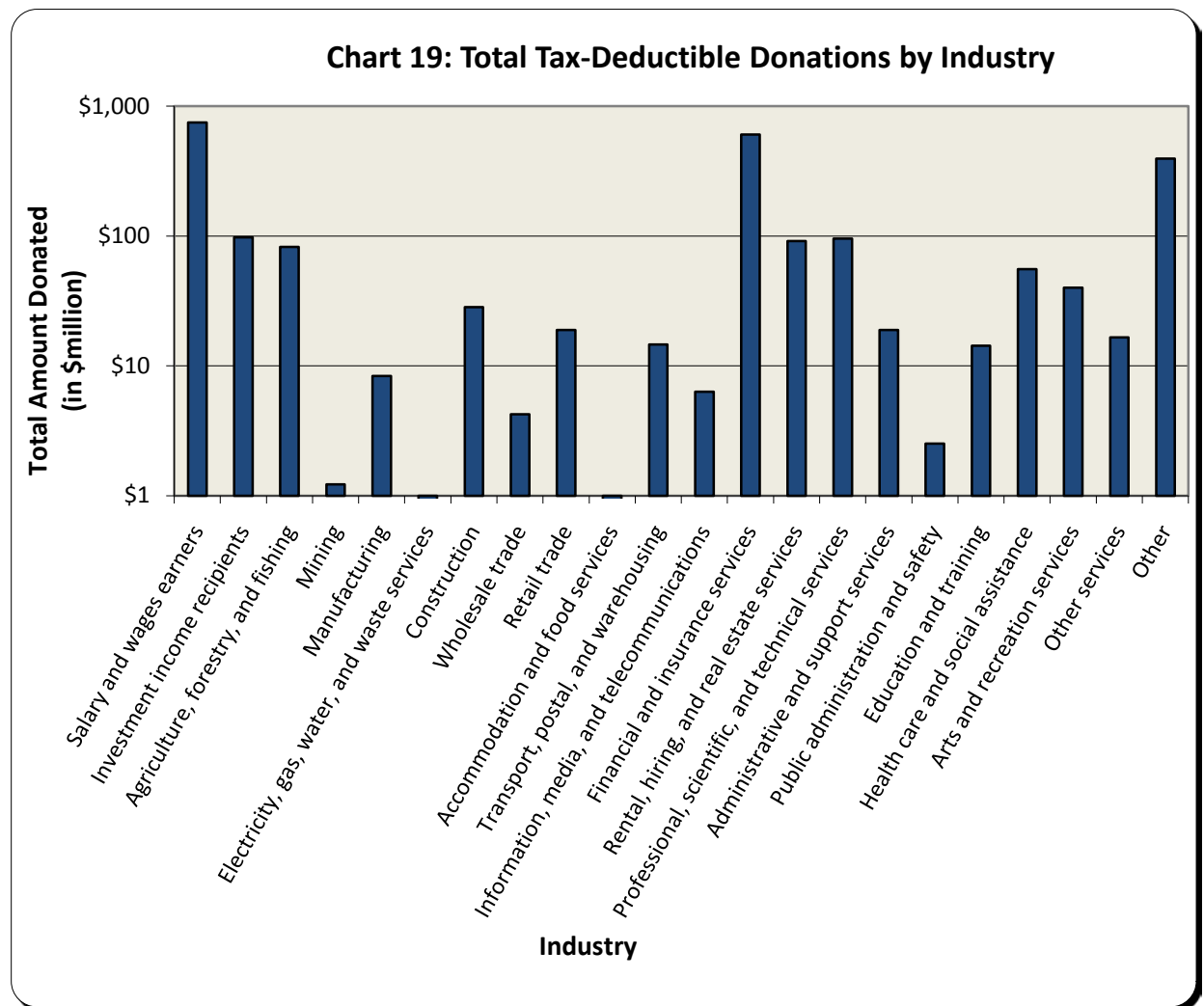
In the 2007-08 individual income tax return, an individual carrying on a business as a sole trader was required to complete the *Business and Professional Items Schedule* (comprising Items P1 to P19). Item P2 requires the taxpayer to provide a brief description of their main business or professional activity and classify the industry in which the business operates (Label A).

This industry classification is based on the ANZSIC system. The ANZSIC codes, numbered 1110 to 99070, form the basis of the following analysis. The ANZSIC code does **not** correlate to the taxpayer's occupation code (Item 1, Label X).

The following analysis is based on data collected from taxpayers who operate a business as a sole trader. It does **not** capture information on salary and wage earners (i.e. employees) who work within these industries, nor does it include business taxpayers operating through partnerships, trusts or companies.

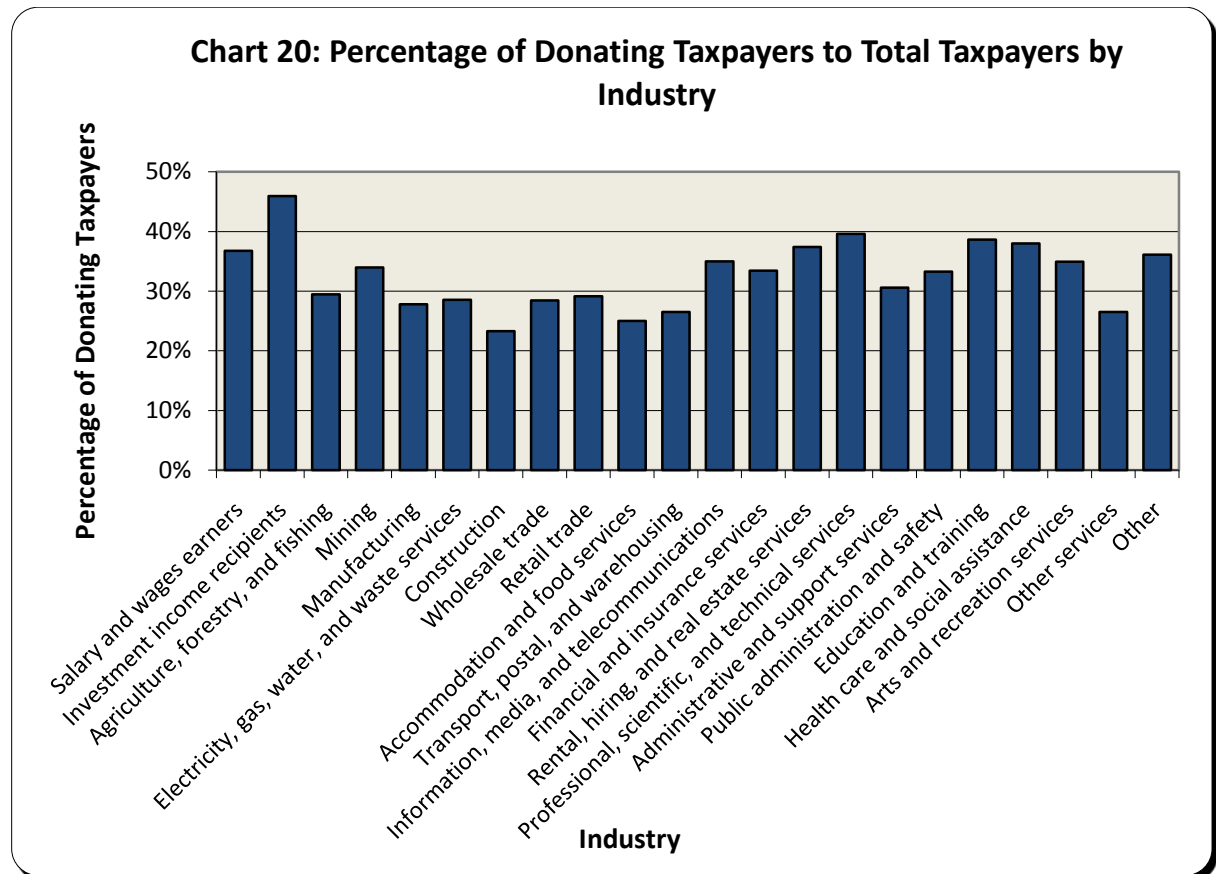
Any person who does not enter an ANZSIC code in the *Business and Professional Items Schedule* is automatically assumed to be a "salary and wage earner".

Chart 19 shows the *Total Tax-Deductible Donations by Industry*. In 2007-08, 7,519,655 individual Australian salary and wage earners (no other reported business income) made and claimed the highest tax-deductible donations to DGRs totaling \$747.21 million. In second place were sole trader business taxpayers in the financial and insurance services industry, with 599,625 taxpayers in this industry claiming \$603.78 million in deductible gifts.



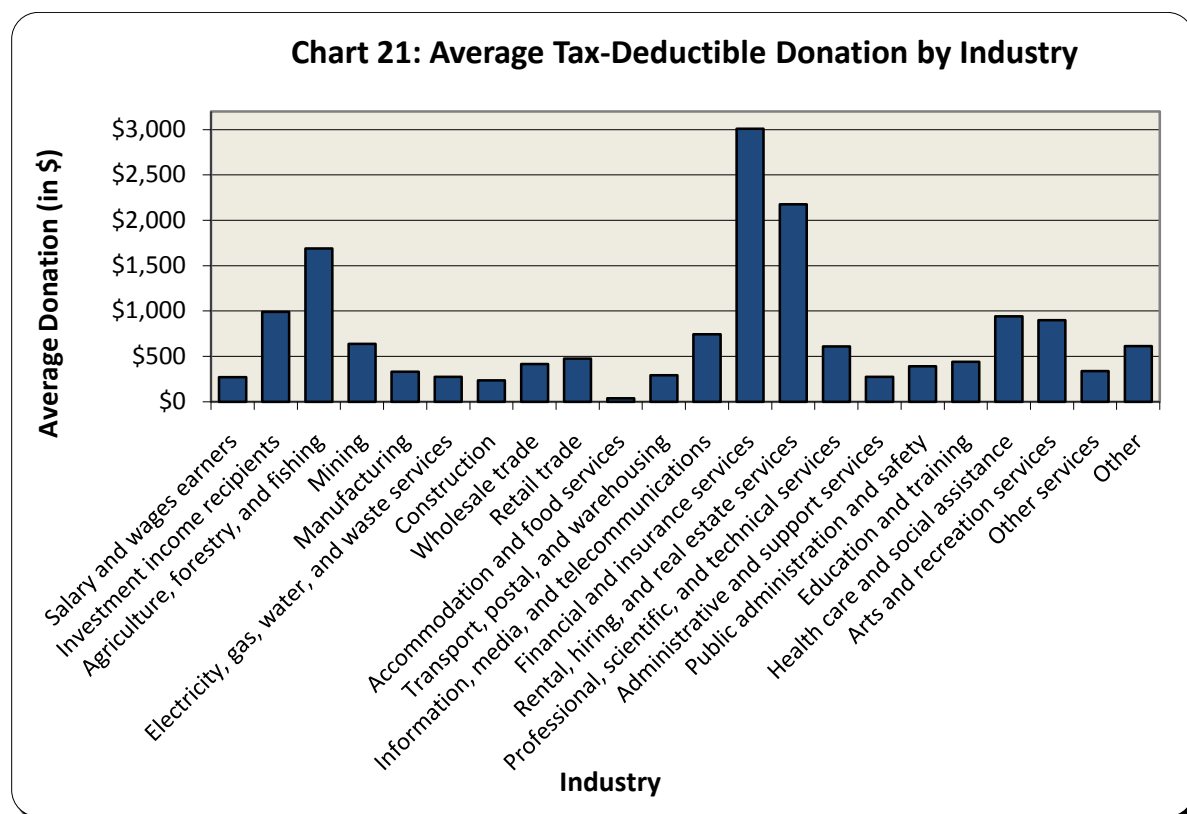
At the opposite end of the scale, sole trader business taxpayers in the electricity, gas, water and waste services industry claimed a total in \$0.41 million in tax-deductible gifts in 2007-08. Sole trader business taxpayers in the accommodation and food services industry claimed the second lowest total gifts, claiming a total of \$0.46 million in tax deductible donations.

Chart 20: Percentage of Donating Taxpayers to Total Taxpayers by Industry shows the percentage of sole trader business taxpayers who made and claimed tax-deductible gifts by industry code in 2007-08. The chart reveals that the sole trader industry category with the highest percentage of taxpayers claiming a gift was the investment income recipients category, with 45.92%. The next highest were sole trader business taxpayers working in the professional, scientific and technical services industry with 39.59%.



At the opposite end of the scale, the industry with the least amount of donating taxpayers was sole trader business taxpayers engaged in the construction industry (23.31%). This is the third year in a row in which sole trader business taxpayers in the construction industry have recorded the lowest percentage of donating taxpayers within an individual industry category (0.04% in 2005-06; 23.57% in 2006-07 and 23.31% in 2007-08). The next lowest donors came from sole trader business taxpayers working within the accommodation and food services industry with 25.01% of sole trader business taxpayers claiming a tax-deductible donation.

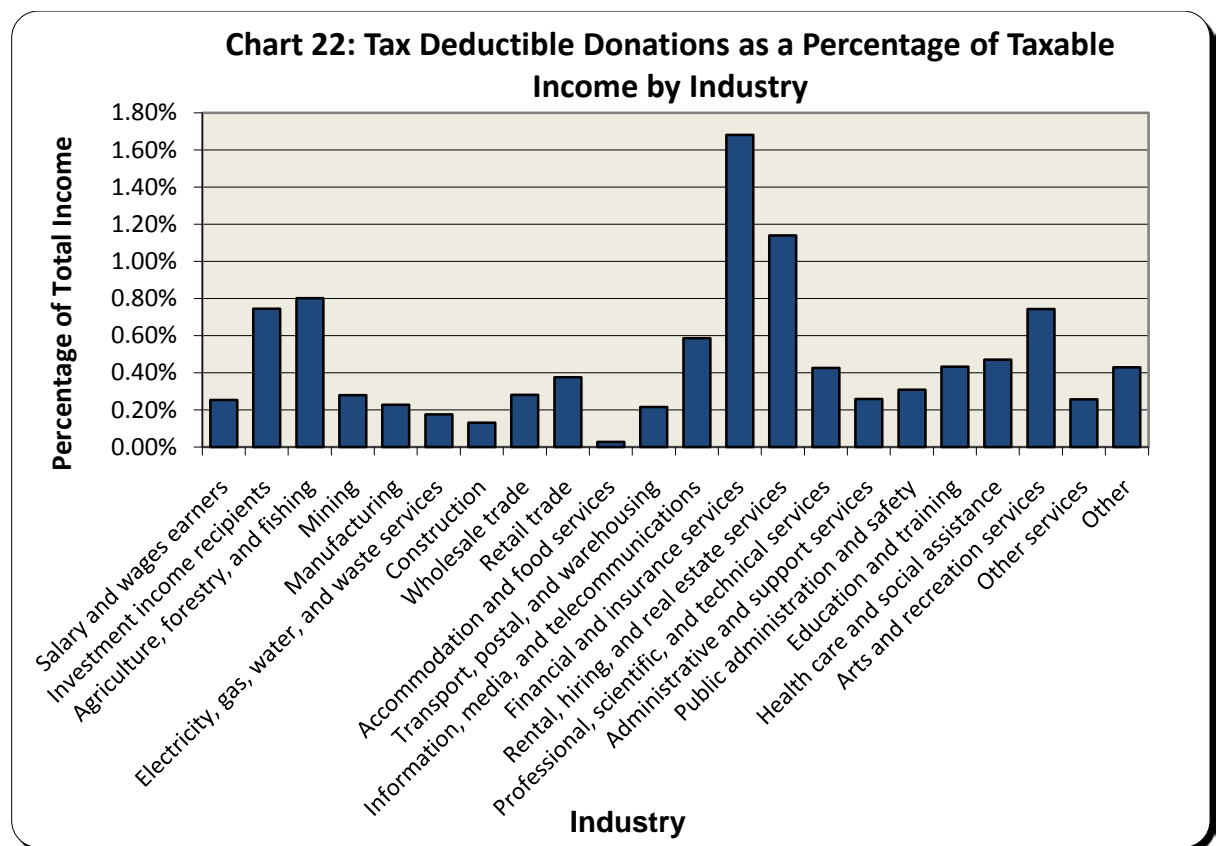
In terms of average tax-deductible donations by industry code, *Chart 21 Average Tax-Deductible Donation by Industry* reveals that the highest average tax-deductible gifts made and claimed by sole trader business taxpayers in 2007-08 came from those engaged in the financial and insurance services industry. These taxpayers made an average tax-deductible donation of \$3,009.50 (compared to \$1440.40 in 2006-07).



The next highest average tax deductible gift came from sole trader business taxpayers engaged in rental, hiring and real estate services agriculture, forestry and fishing who made and claimed an average tax-deductible donation of \$2,174.51.

At the opposite end of the scale, the lowest average tax-deductible donations made and claimed in 2007-08 came from the accommodation and food services industry with \$35.89. Next lowest were sole trader business taxpayers engaged in the construction industry (\$234.97), followed by salary and wage earners with an average tax-deductible donation of \$270.42

Chart 22: Tax-Deductible Donations as a Percentage of Taxable Income by Industry analyses the amount of tax-deductible donations relative to taxable income of sole trader business taxpayers, sorted by ANZSIC industry categories. The chart reveals that in 2007-08, sole trader business taxpayers undertaking financial and insurance services claimed the equivalent of 1.68% of their taxable incomes as donations to DGRs (compared to 0.80% in 2006-07). Taxpayers operating in the rental, hiring and real estate services industry were the next highest donors, donating the equivalent of 1.14% of their taxable incomes to DGRs in 2007-08 (compared to 0.95% in 2006-07).



At the opposite end of the scale, the industry that made and claimed the least amount of tax-deductible donations to DGRs in 2007-08 (when expressed as a percentage of taxable income) were sole trader business taxpayers operating in accommodation and food services industry. These sole trader business taxpayers donated the equivalent of 0.03% of their taxable income in 2007-08 (compared to 0.27% in 2006-07).

3.7 Taxpayer Donations by OCCUPATION

For the second time the ATO has made available data for wages and salary classified by occupation code of the taxpayer.

Occupation is taken from the personal tax return item 1. The occupation codes for 2007-08 are based upon The Australian Standard Classification of Occupations produced by the Australian Bureau of Statistics (2nd edition) 1997. There are nine major groups:

- managers and administrators;
- professionals;
- associate professionals;
- tradespersons and related workers;
- advanced clerical and service workers;
- intermediate clerical, sales and service workers;
- intermediate production and transport workers;
- elementary clerical, sales and service workers; and
- labourers and related workers.

Each major group has a number of sub groups. Table 8 in the appendix contains the data relating to these nine major groups of occupations.

On the Centre's website is a search tool for all occupations which will retrieve all the relevant deductible gift data for the year 2007-08 by occupation. This is available from <http://www.bus.qut.edu.au/research/cpns/publications/postcode.php>

Tables 16-19 below show the occupations with the highest average claimed gifts, highest total claimed gifts, highest percentage of claimed gifts against total income and highest percentage of participating taxpayers per occupation code.

Table 16 (overleaf) identifies the top ten occupations by total gifts. Company directors, executives and managers (occupation code 1000) topped the list donating a total of \$876,894,505 in 2007-08.

| Table 16: Highest TOTAL Gifts Claimed by Individual Taxpayers 2007-08 by OCCUPATION⁶ | | | |
|--|------------------------|---|------------------------------------|
| Rank | Occupation Code | Occupation | Amt gifts or donations (\$) |
| 1 | 1000 | Company director; Executive – type of executive unspecified; Manager – type of manager unspecified | 249,681,149 |
| 2 | 0998 | Administrator – type unspecified; Call centre operator – type unspecified; Casino worker – type unspecified; Civil servant – main occupation unspecified; Consultant – type of consultancy unspecified; Contractor – type of contracting unspecified; Customer service officer – type unspecified; Foreman – type of foreman unspecified; Planner – type of planning unspecified; Public servant – main occupation unspecified; Supervisor – type of supervisor unspecified; Team leader – type unspecified | 55,183,078 |
| 3 | 6111 | Administration assistant; Administrative officer – type unspecified; Clerical assistant – type unspecified; Clerical officer – type unspecified; Clerical worker – type unspecified; Clerk – type of clerical duties unspecified; Office worker | 50,822,884 |
| 4 | 1112 | General manager; Managing director | 40,822,591 |
| 5 | 2231 | Analyst programmer; Applications programmer; Computer consultant; Computer programmer; Computer scientist; Computer systems administrator; Computer systems analyst; Computer systems officer; Database administrator; Information technology officer; IT consultant; IT officer – non help desk; Methods analyst; Programmer; Software engineer; Systems analyst; Systems programmer | 37,868,483 |
| 6 | 2323 | Nurse; Nurse consultant; Nursing sister; Registered nurse – general; Registered nurse – type unspecified; Sister – nursing | 36,373,575 |
| 7 | 2211 | Accountant; Chartered accountant; Financial analyst; Tax agent; Tax consultant | 34,136,648 |
| 8 | 2413 | High school teacher; Secondary school teacher; Teacher – secondary school | 24,476,210 |
| 9 | 1231 | Marketing manager; Sales and marketing manager; Sales director; Sales manager | 22,073,795 |
| 10 | 2312 | Anaesthetist; Cardiologist; Dermatologist; Doctor – specialist; Gynaecologist; Obstetrician; Ophthalmologist; Orthopaedic specialist; Otorhinolaryngologist; Paediatrician; Pathologist; Psychiatrist; Radiologist; Registrar – medical; Specialist medical practitioner; Surgeon; Thoracic specialist; Urologist | |
| | | | 21,600,837 |

⁶ Although taxpayers in occupation code 0990 'Occupation not listed' claimed \$876,894,505 in tax-deductible gifts, this occupation code has not been included in Table 16.

Table 17 displays the top ten occupation groups by average gift. The occupation code of 2222 (Company reps – industrial, medical etc; Detailer – mechanical) made a spectacular debut into the 2007-08 highest average gifts table clinching first place with an average gift of \$5,863.66. Occupation code 1111 (Coroner; Councillor; Judge – law; Magistrate; Member of parliament; Parliamentarian; State Governor dropped) slipped one ranking to claim Number 2 position with an average gift of \$2148.83.

| Table 17: Highest AVERAGE gifts claimed by gifting taxpayers 2007-08 by OCCUPATION | | | |
|---|------------------------|---|---|
| Rank | Occupation Code | Occupation | Average gift (per gifting taxpayer) (\$) |
| 1 | 2222 | Company rep – industrial, medical etc; Detailer – medical | 5,863.66 |
| 2 | 1111 | Coroner; Councillor; Judge – law; Magistrate; Member of parliament; Parliamentarian; State governor | 2,148.83 |
| 3 | 0990 | Occupation not listed | 1,790.71 |
| 4 | 2530 | Artist; Performing artist | 1,772.64 |
| 5 | 2312 | Anaesthetist; Cardiologist; Dermatologist; Doctor – specialist; Gynaecologist; Obstetrician; Ophthalmologist; Orthopaedic specialist; Otorhinolaryngologist; Paediatrician; Pathologist; Psychiatrist; Radiologist; Registrar – medical; Specialist medical practitioner; Surgeon; Thoracic specialist; Urologist | 1,702.86 |
| 6 | 1112 | General manager; Managing director | 1,495.06 |
| 7 | 2311 | Doctor – general practice; General medical practitioner; Medical practitioner – general practice; Resident – medical | 1,430.07 |
| 8 | 1000 | Company director; Executive – type of executive unspecified; Manager – type of manager unspecified | 1,176.74 |
| 9 | 2293 | Actuary; Mathematician; Statistician | 1,098.49 |
| 10 | 2112 | Geologist; Geophysicist | 1,005.50 |

Notable for their absence were the following occupation codes, all of which had ranked in the 2006-07 top 10 average gifts by occupation:

- 2515 (Chaplain; Clergy – member of; Deacon; Minister of religion; Missionary; Nun; Pastor; Preacher; Priest; Rabbi; Rector; Vicar) – formerly ranked Number 10 in 2006-07 with an average tax-deductible gift of \$910;
- 2127 (Mining engineer; Petroleum engineer) – formerly ranked number 2 in 2006-07 with an average tax-deductible gift of \$1,916; and
- 2538 (Actors and related professionals; Choreographer; Circus performer; Comedian; Dancer; Entertainer nec; Stripper; Variety artist) – formerly ranked Number 8 in 2006-07 with an average tax-deductible gift of \$1,135.

Also interesting to note is that the occupation code 2530 (Artists, Performing artists) continues to rank in the top 10 of highest average gifts by postcode, this year taking Number 4 position with an average gift of \$1,772.64 (compared to \$1,282 in 2006-07). This high average gift is in spite of the fact that the average mean taxable income for this occupation group is \$40,974

Table 18 identifies deductible gifts as a percentage of income by occupation. Once again occupation code 2222 comes in at Number 1 position with taxpayers in this occupation category claiming 4.56% of their taxable income. As per the 2006-07 data, religious practitioners once again feature highly, claiming 1.91% of their taxable income as gifts to DGRs. Those from the arts and related industries (occupation codes 2530 and 2537) also feature high on the rankings, as do occupation codes with high mean taxable incomes such as judges, parliamentarians and governors (1111); university lecturers and professors (2421) and company directors (1000).

| Table 18: Highest PERCENTAGE of income claimed as gifts by individual taxpayers 2007-08 by OCCUPATION⁷ | | | |
|--|------------------------|---|---|
| Rank | Occupation Code | Occupation | Total gifts as a percent of total taxable income (%) |
| 1 | 2222 | Company rep – industrial, medical etc; Detailer – medical | 4.56% |
| 2 | 2515 | Chaplain; Clergy – member of; Deacon; Minister of religion; Missionary; Nun; Pastor; Preacher; Priest; Rabbi; Rector; Vicar | 1.91% |
| 3 | 2530 | Artist; Performing artist | 1.49% |
| 4 | 1111 | Coroner; Councillor; Judge – law; Magistrate; Member of parliament; Parliamentarian; State governor | 0.99% |
| 5 | 2421 | Lecturer – university; Professor; University lecturer; University tutor | 0.61% |
| 6 | 1000 | Company director; Executive – type of executive unspecified; Manager – type of manager unspecified | 0.59% |
| 7 | 2293 | Actuary; Mathematician; Statistician | 0.58% |
| 8 | 2537 | Band member; Composer; Concert and opera singer; Conductor – orchestra; Drummer; Guitarist; Music director; Musicians, composers and related professionals; Opera singer; Organist; Pianist; Recording artist; Session musician; Singer; Vocalist | 0.55% |
| 9 | 2311 | Doctor – general practice; General medical practitioner; Medical practitioner – general practice; Resident – medical | 0.54% |
| 10 | 2512 | Community worker; Education manager – health; Welfare officer | 0.53% |

⁷ Although taxpayers in occupation code 0990 ('occupation not listed') claimed 1.01% of their income in tax-deductible gifts, this information has not been included in Table 18.

Table 18 depicts the percentage of donating taxpayers to total taxpayers within each occupation code in 2007-08. The occupation with the highest percentage of donating taxpayers was occupation code 1294 (Commissioned fire officer; Commissioned police officer; Police inspector), with 72.88% of taxpayers in this occupation code claiming a tax-deductible gift in 2007-08. This was followed by occupation code 3911 (Investigator – police; Detective – police; Police officer) in which 68.30% of taxpayers made a tax-deductible gift to DGRs.

| Table 18: Highest PERCENTAGE of donating taxpayers to total taxpayers 2007-08 by OCCUPATION | | | |
|--|------------------------|---|---|
| Rank | Occupation Code | Occupation | Percent of total taxpayers claiming a gift (%) |
| 1 | 1294 | Commissioned fire officer; Commissioned police officer; Police inspector | 72.88% |
| 2 | 3911 | Investigator – police; Detective – police; Police officer | 68.30% |
| 3 | 1291 | Public policy manager | 68.14% |
| 4 | 1293 | Education manager; Head of school – TAFE; School principal | 65.30% |
| 5 | 4988 | Power generation plant operator | 64.15% |
| 6 | 3211 | Bank accountant; Bank manager; Branch manager – bank or finance institution | 63.65% |
| 7 | 2213 | Corporate treasurer; Financial risk analyst; Financial risk manager | 59.57% |
| 8 | 1211 | Financial controller; Finance manager | 59.17% |
| 9 | 1213 | Industrial relations manager; Personnel and industrial relations manager; Personnel manager | 59.17% |
| 10 | 1292 | Health Service Managers | 59.14% |

What these occupations seem generally to have in common is that they involve a senior management position that requires a high degree of demonstrated leadership, often of 'close' teams such as police, fire, health, education, industrial relations and banking and finance. These occupations also have a long association with payroll giving to occupation specific benevolent funds. Also notable is that the 2007-08 table closely resembles that of 2006-07, with only three exceptions:

- Occupation code 2213 (corporate treasurer' financial risk analyst; financial risk management) jumping from 10th to 7th in 2007-08;
- the exclusion of director of nursing (which previously occupied 7th position in 2006-07); and
- the inclusion of 1292 (health services managers) at 10th place

4.0 LIMITATIONS OF THE STUDY

- a. This study only uses information based on published ATO material and represents only the extent of tax-deductible donations made to DGRs and claimed by Australian taxpayers at *Item D8 Gifts or Donations* in their individual income tax returns for the 2007-08 income year. This study does not measure the total amounts gifted by Australian taxpayers. It is not known exactly what percentage of taxpayers make tax-deductible donations and forget to claim them in their income tax returns. Many smaller donations may not be claimed. For example, a \$2 door knock receipt may have been lost or forgotten to be claimed at tax time by many taxpayers. However, it is assumed that the larger the donation, the more likely the donation will be claimed by the taxpayer in their tax return.
- b. It is not known how many erroneous tax-deductible donations are claimed by taxpayers. For instance, in 2002-03, the ATO found 265,547 discrepancies in reviewing individual tax returns.
- c. This study is based only on the extent of charitable giving by individual taxpayers. It does not measure the extent of business or corporate giving. The statistics relating to the extent of tax-deductible donations made by non-individual taxpayers (such as companies, trusts, etc.) is not recorded in published ATO data. Unlike the individual income tax return, the partnership, trust and company income tax returns do not have an item equivalent to *Item D8 Gifts or Donations*.
- d. The amount recorded at *Item D8 Gifts or Donations* only represents those donations that can be claimed as an income tax deduction. Many individual taxpayers make donations to organisations that cannot be claimed as tax deductions (e.g. purchasing badges or tea towels, buying food and small items from charity-run fetes, buying tickets to a fundraising event or dinner, and sponsorships). The ATO statistics capture pure philanthropic gifts and contributions by individuals to donation deductible organisations.
- e. Some taxpayers do not lodge their tax returns by the due date. The ATO adds new information to its aggregate data set when it is processed. This means that the total tax-deductible gifts in a previously reported year may increase in a subsequent annual report, which includes references to previous years. For instance, the data presented in this paper is based on

information contained in individual taxpayers' 2008 tax returns processed by the ATO as at 31 October 2009.

- f. Any information contained in 2007-08 income tax returns lodged by Australian taxpayers after October 31 2009 will not be reflected in the 2008 Taxation Statistics publication. Instead, information relating to 2008 tax returns of individuals lodged after 31 October 2009 will be incorporated into, and reflected in, future Taxation Statistics publications. In this paper, we found certain figures have been revised and updated from previous Taxation Statistics publications. This is particularly so with the total number of donors, total tax-deductible donations made and donations according to state of residence. This paper indicates the situations where late taxpayer filings have not been included. In all cases the late lodgements do not alter the trends identified.
- g. The analysis of industry classifications and gift deductions should not be confused with taxpayers' occupations. The analysis is solely based on taxpayers who are sole traders. For example, lawyers may be included in:
- salary and wage taxpayers (employed lawyers);
 - sole trader lawyers who operate their own businesses;
 - lawyers who carry on business as partners in a partnership; or even
 - a company or trust.

Thus, this data should not be applied as if it represents the gift deductions of all taxpayers who might provide legal services, **ONLY** those who are sole trader business taxpayers.

- h. For the second time the ATO has provided data by occupation code declared in an individual taxpayer's return. There are a large number of taxpayers who do not declare their occupation or are classified as miscellaneous (3.5 m taxpayers).

Despite these limitations, the ATO statistics are one of the few places in which donation information is collected on a rigorous basis. All taxpayers are required to make a formal declaration at the end of their tax returns that the information contained therein is correct. Under the system of self-assessment, the ATO generally treats the tax return lodged by a taxpayer as being correct when lodged.

However, the ATO has a wide-ranging audit program to confirm whether the details disclosed in taxpayers' income tax returns is correct or not. If the taxpayer has made a false or misleading statement or claimed an amount that cannot be substantiated, then the taxpayer is faced with the prospect of fines, penalties and interest charges.

The ATO Taxation Statistics also provide useful trend data as the information collated and published is collected annually on much the same basis. Other surveys are usually snapshots with different questions, methodology and definitions of what is a gift or donation.

Despite these limitations, it is considered that the results of this analysis will prove useful to fundraisers and in the development of fundraising strategies. Knowing where donors come from, and how much taxpayers within certain industries and specific occupations give, can assist DGRs to target fundraising strategies towards these donor groups.

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Appendix



Taxation Statistics 2007
Table 1: Total and Average Donations (Revised ATO Data)⁸
Income Years Ending 30 June 1998 to 30 June 2008

| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Number of Taxable Taxpayers | 8,643,240 | 8,485,225 | 9,059,060 | 8,915,160 | 9,013,415 | 9,163,765 | 9,317,575 | 9,499,220 | 9,408,255 | 9,306,145 | 9,881,550 |
| Number of Non-Taxable Taxpayers | 1,674,345 | 1,879,510 | 1,668,285 | 1,964,575 | 2,000,170 | 2,066,830 | 2,149,760 | 2,116,265 | 2,102,705 | 2,493,085 | 2,759,220 |
| Total Taxpayers | 10,317,585 | 10,364,735 | 10,727,345 | 10,879,735 | 11,013,585 | 11,230,595 | 10,978,900 | 11,615,485 | 11,510,960 | 11,799,230 | 12,640,765 |
| Taxable income (\$million) | 294,734 | 309,084 | 334,953 | 353,517 | 364,946 | 383,553 | 411,029 | 439,079 | 457,202 | 501,183 | 551,748 |
| Donating Taxpayers | 3,300,100 | 3,392,452 | 3,468,315 | 3,558,400 | 3,739,435 | 3,836,740 | 3,975,965 | 4,400,955 | 4,195,910 | 4,282,970 | 4,483,955 |
| Total Tax-Deductible Donations (\$ million) | 611 | 686 | 744 | 867 | 924 | 998 | 1,197 | 1,503 | 1,556 | 1,885 | 2,346 |
| Percentage Increase | 8.20% | 12.21% | 8.49% | 16.62% | 6.48% | 8.09% | 19.89% | 25.61% | 3.50% | 21.12% | 24.46% |
| Percentage of Donors to Total Taxpayers | 31.99% | 32.73% | 32.33% | 32.71% | 33.95% | 34.16% | 36.21% | 37.89% | 36.45% | 36.30% | 35.47% |
| Donation as a Percentage of Taxable Income | 0.20729% | 0.22180% | 0.22206% | 0.24537% | 0.25308% | 0.260281% | 0.291181% | 0.342395% | 0.340328% | 0.376021% | 0.425112% |
| Average Tax-Deductible Donation | 185.13 | 202.08 | 214.45 | 243.77 | 247.00 | 260.20 | 301.02 | 341.60 | 370.83 | 440.01 | 523.10 |
| Dollar Increase (\$) | 10.44 | 16.95 | 12.37 | 29.32 | 44.91 | 13.20 | 40.82 | 40.59 | 29.23 | 69.18 | 83.09 |
| Percentage Increase | 5.98% | 9.16% | 6.12% | 13.67% | 1.32% | 5.35% | 15.69% | 13.48% | 8.56% | 18.65% | 19.05% |

⁸ The ATO revises its figures to take account of newly processed returns and adjustments for three years after initial release and this table reflects all revisions to April 2010. It differs from the figures used in the text as they compare the state of the data as at October 2009 so that proper comparisons can be made with the previous year.

Taxation Statistics 2007-08
Table 2: Donations by Gender
Income Year Ending 30 June 2008

| Gender | Total Number of Individual Taxpayers | Taxable Income \$m | Total Tax-Deductible Donations | | Percentage of Donating Taxpayers to Total Taxpayers % | Donations as a Percentage of Taxable Income % | Average Tax-Deductible Donation \$ | Percentage of National Total % |
|--------------|--------------------------------------|-----------------------|--------------------------------|--------------------|--|--|---------------------------------------|-----------------------------------|
| | | | no. | \$m | | | | |
| Male | 6,550,015 | 338,847 | 2,257,865 | 1201.93 | 34.47% | 0.35471% | \$ 532.33 | 51.24% |
| Female | 6,090,755 | 212,902 | 2,226,085 | 1143.62 | 36.55% | 0.53716% | \$ 513.74 | 48.76% |
| Total | 12,640,770 | \$ 551,748 | 4,483,950 | \$ 2,345.55 | 35.47% | 0.42511% | \$ 523.10 | 100.00% |

Taxation Statistics 2007
Table 3: State of Residence
Income Year Ending 30 June 2008

| State of Residence | Total Number of Individual Taxpayers | Taxable Income | Total Tax-Deductible Donations | | Percentage of Donating Taxpayers to Total Taxpayers | Donations as a Percentage of Taxable Income | Average Tax-Deductible Donation | Percentage of National Total |
|--------------------|--------------------------------------|-------------------|--------------------------------|--------------------|---|---|---------------------------------|------------------------------|
| | | \$million | no. | \$m | % | % | \$ | % |
| New South Wales | 4,053,090 | 176,952 | 1,337,925 | 1054.59 | 33.01% | 0.59598% | \$ 788.23 | 49.06% |
| Victoria | 3,130,510 | 128,225 | 1,090,375 | 472.67 | 34.83% | 0.36863% | \$ 433.49 | 21.99% |
| Queensland | 2,548,815 | 100,656 | 750,505 | 278.50 | 29.45% | 0.27668% | \$ 371.08 | 12.96% |
| South Australia | 929,980 | 35,384 | 284,225 | 97.88 | 30.56% | 0.27664% | \$ 344.39 | 4.55% |
| Western Australia | 1,333,425 | 61,750 | 365,860 | 151.44 | 27.44% | 0.24525% | \$ 413.94 | 7.05% |
| Tasmania | 283,740 | 10,011 | 79,505 | 40.79 | 28.02% | 0.40748% | \$ 513.07 | 1.90% |
| ACT | 232,965 | 11,641 | 98,305 | 44.72 | 42.20% | 0.38418% | \$ 454.93 | 2.08% |
| Northern Territory | 113,290 | 4,885 | 33,085 | 8.58 | 29.20% | 0.17568% | \$ 259.41 | 0.40% |
| Other Taxpayers | 14,950 | 178 | 570 | 0.33 | 3.81% | 0.18515% | \$ 577.60 | 0.02% |
| Total | 12,640,765 | \$ 529,681 | 4,040,355 | \$ 2,149.51 | 31.96% | 0.40581% | \$ 532.10 | 100.00% |

Taxation Statistics 2008
Table 4: Income Band
Income Year Ending 30 June 2008

| Taxable Income Bands | Total Number of Individual Taxpayers | Taxable Income | Percentage of Taxpayers in Income Band to Total | Total Tax-Deductible Donations | | Percentage of Donating Taxpayers to Total Taxpayers | Donations as a Percentage of Taxable Income | Average Tax-Deductible Donation | Percentage of National Total |
|---------------------------------|--------------------------------------|-------------------|---|--------------------------------|-------------------|---|---|---------------------------------|------------------------------|
| | | \$m | Taxpayers | no. | \$m | % | % | \$ | % |
| Non-taxable | 2,759,220 | 22,068 | 21.83% | 443,600 | 196.04 | 16.08% | 0.89% | \$ 441.93 | 8.36% |
| Less than \$6,001 | 33,695 | 63 | 0.27% | 2,000 | 1.40 | 5.94% | 2.24% | \$ 702.39 | 0.06% |
| \$6,001 to \$10,000 | 18,075 | 149 | 0.14% | 1,415 | 0.42 | 7.83% | 0.29% | \$ 299.62 | 0.02% |
| \$10,001 - \$15,000 | 529,300 | 6,865 | 4.19% | 111,555 | 25.99 | 21.08% | 0.38% | \$ 233.00 | 1.11% |
| \$15,001 to \$20,000 | 715,975 | 12,540 | 5.66% | 190,870 | 41.47 | 26.66% | 0.33% | \$ 217.27 | 1.77% |
| \$20,001 to \$25,000 | 751,250 | 16,959 | 5.94% | 231,665 | 54.42 | 30.84% | 0.32% | \$ 234.92 | 2.32% |
| \$25,001 to \$30,000 | 885,925 | 24,464 | 7.01% | 305,025 | 89.20 | 34.43% | 0.36% | \$ 292.44 | 3.80% |
| \$30,001 to \$35,000 | 905,480 | 29,405 | 7.16% | 344,330 | 96.83 | 38.03% | 0.33% | \$ 281.21 | 4.13% |
| \$35,001 to \$40,000 | 857,780 | 32,149 | 6.79% | 351,495 | 104.92 | 40.98% | 0.33% | \$ 298.49 | 4.47% |
| \$40,001 to \$45,000 | 762,285 | 32,360 | 6.03% | 329,080 | 83.22 | 43.17% | 0.26% | \$ 252.90 | 3.55% |
| \$45,001 to \$50,000 | 692,880 | 32,915 | 5.48% | 313,030 | 82.54 | 45.18% | 0.25% | \$ 263.69 | 3.52% |
| \$50,001 to \$55,000 | 566,555 | 29,729 | 4.48% | 266,220 | 73.75 | 46.99% | 0.25% | \$ 277.04 | 3.14% |
| \$55,001 to \$60,000 | 494,550 | 28,409 | 3.91% | 237,810 | 74.35 | 48.09% | 0.26% | \$ 312.64 | 3.17% |
| \$60,001 to \$70,000 | 782,520 | 50,666 | 6.19% | 386,715 | 124.74 | 49.42% | 0.25% | \$ 322.57 | 5.32% |
| \$70,001 to \$80,000 | 607,805 | 45,405 | 4.81% | 290,930 | 136.62 | 47.87% | 0.30% | \$ 469.60 | 5.82% |
| \$80,001 to \$90,000 | 337,545 | 28,578 | 2.67% | 174,260 | 75.41 | 51.63% | 0.26% | \$ 432.72 | 3.21% |
| \$90,001 to \$100,000 | 220,460 | 20,889 | 1.74% | 114,775 | 76.37 | 52.06% | 0.37% | \$ 665.38 | 3.26% |
| \$100,001 to \$150,000 | 453,775 | 54,216 | 3.59% | 239,735 | 169.31 | 52.83% | 0.31% | \$ 706.25 | 7.22% |
| \$150,001 to \$200,000 | 125,325 | 21,344 | 0.99% | 68,100 | 83.24 | 54.34% | 0.39% | \$ 1,222.37 | 3.55% |
| \$200,001 to \$250,000 | 49,960 | 11,093 | 0.40% | 28,325 | 51.10 | 56.70% | 0.46% | \$ 1,804.18 | 2.18% |
| \$250,001 to \$500,000 | 64,220 | 21,428 | 0.51% | 36,910 | 108.97 | 57.47% | 0.51% | \$ 2,952.21 | 4.65% |
| \$500,001 to \$1,000,000 | 18,285 | 12,370 | 0.14% | 11,110 | 83.52 | 60.76% | 0.68% | \$ 7,517.94 | 3.56% |
| \$1,000,000 or more | 7,905 | 17,685 | 0.06% | 4,990 | 511.69 | 63.12% | 2.89% | \$102,543.08 | 21.82% |
| Total | 12,640,765 | \$ 551,748 | 100.00% | 4,483,955 | \$2,345.55 | 35.47% | 0.43% | \$ 523.10 | 100.00% |

Taxation Statistics 2007-08
Table 5: Highest total deductible gifts by State and Postcode
Income Year Ending 30 June 2008

| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
|------------|---|--------------------------|-------------------|--------------|---------------|---------------------|
| NSW | | | | | | |
| 2088 | Mosman, Spit Junction | 7,560 | 315,534,970 | 41737.43 | 38.69% | 12.44% |
| 2027 | Darling Point, Edgecliff, HMAS Rushcutters, Point Piper | 2,360 | 40,524,670 | 17171.47 | 39.56% | 4.30% |
| 2030 | Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons Bay | 3,515 | 32,063,318 | 9121.85 | 35.63% | 2.66% |
| 2023 | Bellevue Hill | 2,600 | 12,887,510 | 4956.73 | 37.65% | 1.54% |
| 2021 | Centennial Park, Moore Park, Paddington | 3,760 | 9,591,707 | 2550.99 | 35.71% | 0.99% |
| VIC | | | | | | |
| 3142 | Hawksburn, Toorak | 3,655 | 28,016,593 | 7665.28 | 42.16% | 1.95% |
| 3806 | Berwick, Harkaway | 8,945 | 11,834,475 | 1323.03 | 44.17% | 1.11% |
| 3141 | Chapel Street North, Domain Road PO, South Yarra | 4,775 | 11,035,249 | 2311.05 | 41.29% | 1.08% |
| 3186 | Brighton, Brighton North, Dendy, Were Street PO | 5,450 | 10,386,973 | 1905.87 | 43.01% | 0.72% |
| 3122 | Auburn South, Glenferrie South, Hawthorn, Hawthorn North, Hawthorn West | 5,355 | 9,912,066 | 1850.99 | 43.54% | 0.90% |
| QLD | | | | | | |
| 4567 | Castaways Beach, Noosa Heads, Sunrise Beach, Sunshine Beach | 1,605 | 22,248,003 | 13861.68 | 21.13% | 8.14% |
| 4075 | Corinda, Graceville, Graceville East, Oxley, Sherwood | 4,890 | 7,243,054 | 1481.20 | 35.72% | 1.06% |
| 4350 | Athol, Blue Mountain Heights, Centenary Heights, Charlton, Clifford Gardens, Cotswold Hills, Cranley, Darling Heights, Drayton, Drayton North, East Toowoomba, Finnie, Glenvale, Gowrie Mountain, Harlaxton, Harristown, Kearneys Spring, Middle Range, Mounth Kynoch, Mount Lofty, Mount Rascal, Newtown, North Toowoomba, Northlands, Prince Henry Heights, Rangeville, Redwood, Rockville, South Toowoomba, Southtown, Toowoomba, Toowoomba BC, Toowoomba City, Toowoomba DC, Toowoomba East, Toowoomba South, Toowoomba Village Fair, Toowoomba West, Top Camp, Torrington, Wellcamp, Westbrook, Wilsonton, Wilsonton Heights, Wyalla Plaza | 18,330 | 6,113,257 | 333.51 | 30.67% | 0.28% |

| Taxation Statistics 2007-08 | | | | | | |
|---|--|--------------------------|-------------------|--------------|---------------|---------------------|
| Table 5: Highest total deductible gifts by State and Postcode | | | | | | |
| Income Year Ending 30 June 2008 | | | | | | |
| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
| 4069 | Brookfield, Chapel Hill, Fig Tree Pocket, Kenmore, Kenmore DC, Kenmore East, Kenmore Hills, Pinjarra Hills, Pullenvale, Upper Brookfield | 7,820 | 5,317,714 | 680.01 | 34.46% | 0.36% |
| 4740 | Alexandra, Alligator Creek, Andergrove, Bakers Creek, Balberra, Balngowan, Beaconsfield, Belmunda, Blacks Beach, Cape Hillsborough, Chelona, Cremorne, Dolphin Heads, Dumbleton, Dundula, Dunnrock, East Mackay, Eimeo, Erkala, Foulden, Glenella, Grasstree Beach, Habana, Haliday Bay, Hay Point, Homebush, Mackay, Mackay BC, Mackay Caneland, Mackay DC, Mackay Harbour, Mackay North, Mackay South, Mackay West, McEwens Beach, Mount Jukes, Mount Pleasant, Munbura Nindaroo, North Mackay, Ooralea, Paget, Racecourse, Richmond, Rosella, Rural View, Sandiford, Slade Point, South Mackay, Te Kowai, The Leap, West Mackay | 16,255 | 5,154,839 | 317.12 | 33.67% | 0.23% |
| SA | | | | | | |
| 5061 | Hyde Park, Malvern, Unley, Unley BC, Unley DC, Unley Park | 2,500 | 5,173,547 | 2069.42 | 35.79% | 1.09% |
| 5081 | Collinswood, Gilberton, Medindie, Medindie Gardens, Vale Park, Walkerville | 2,120 | 4,292,157 | 2024.60 | 35.93% | 1.11% |
| 5006 | North Adelaide, North Adelaide Melbourne St. | 1,410 | 3,045,548 | 2159.96 | 30.10% | 0.95% |
| 5066 | Beaumont, Burnside, Erindale, Hazelwood Park, Stonyfell, Waterfall Gully, Wattle Park | 2,970 | 2,913,669 | 981.03 | 35.44% | 0.56% |
| 5062 | Brown Hill Creek, Clapham, Hawthorn, Kingswood, Lower Mitcham, Lynton, Mitcham, Mitcham Shopping Centre, Netherby, Springfield, Torrens Park | 3,685 | 2,859,463 | 775.97 | 36.58% | 0.51% |

Taxation Statistics 2007-08
Table 5: Highest total deductible gifts by State and Postcode
Income Year Ending 30 June 2008

| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
|-------------------------|---|--------------------------|-------------------|--------------|---------------|---------------------|
| WA | | | | | | |
| 6026 | Kingsley, Woodvale | 5,325 | 8,533,454 | 1602.53 | 33.08% | 1.16% |
| 6009 | Broadway Nedlands, Crawley, Dalkeith, Nedlands, Nedlands DC | 3,695 | 6,624,472 | 1792.82 | 30.50% | 0.59% |
| 6012 | Mosman Park | 1,540 | 6,215,711 | 4036.18 | 27.92% | 1.20% |
| 6010 | Claremont, Claremont North, Karrakatta, Mounth Claremont, Swanbourne | 3,335 | 4,826,878 | 1447.34 | 31.52% | 0.58% |
| 6011 | Cottesloe, Peppermint Grove | 2,020 | 4,427,265 | 2191.72 | 31.46% | 0.64% |
| TAS | | | | | | |
| 7004 | Battery Point, South Hobart | 1,685 | 16,226,017 | 9629.68 | 35.55% | 7.39% |
| 7250 | Blackstone Heights, East Launceston, Launceston, Newstead, Norwood, Norwood Avenue PO, Prospect, Prospect Vale, Ravenswood, Riverside, St Leonards, Summerhill, Travellers Rest, Trevallyn, Waverley, West Launceston | 9,300 | 3,307,607 | 355.66 | 30.68% | 0.29% |
| TAS other ¹² | | 415 | 2,651,466 | 6389.07 | 23.65% | 3.30% |
| 7005 | Dynnyrne, Lower Sandy Bay, Sandy Bay, University of Tasmania | 2,895 | 1,878,117 | 648.75 | 32.66% | 0.43% |
| 7000 | Bathurst Street PO, Glebe, Hobart, Mount Stuart, North Hobart, Queens Domain, West Hobart | 3,360 | 1,388,248 | 413.17 | 36.86% | 0.36% |
| NT | | | | | | |
| 0810 | Alawa, Brinkin, Casuarina, Coconut Grove, Jingli, Lee Point, Lyons, Millner, Moil, Muirhead, Nakara, Nightcliff, Rapid Creek, Tiwi, Wagaman, Wanguri | 5,675 | 1,593,021 | 280.71 | 33.06% | 0.21% |
| NT other ¹² | | 4,700 | 1,317,263 | 280.27 | 24.52% | 0.17% |
| 0870 | Alice Springs, Araluen, Arumbera, Braitling, Ciccone, Connellan, Desert Springs, East Side, Flynn, Gillen, Ilparpa, Irlpme, Larapinta, Mount Johns, Ross, Sadadeen, Stuart, The Gap, Undoolya, White Gums | 4,015 | 1,258,678 | 313.49 | 31.34% | 0.24% |

| Taxation Statistics 2007-08 | | | | | | |
|---|---|--------------------------|-------------------|--------------|---------------|---------------------|
| Table 5: Highest total deductible gifts by State and Postcode | | | | | | |
| Income Year Ending 30 June 2008 | | | | | | |
| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
| 0820 | Bagot, Bayviewm Charles Darwin, Coonawarra, Cullen Bay, Darwin DC, Darwin Internaitonal Airport, Darwin MC, East Point, Eaton, Fannie Bay, Larrakeyah, Ludmilla, Parap, RAAF Base Darwin, Stuart Park, The Gardens, The Narrows, Winnellie, Woolner | 3,795 | 1,227,353 | 323.41 | 33.32% | 0.20% |
| 0812 | Anula, Buffalo Creek, Holmes, Karama, Leanyer, Malak, Marrara, Northlakes, Sanderson, Woodleigh Gardens, Wulagi | 4,035 | 838,705 | 207.86 | 34.22% | 0.16% |
| ACT | | | | | | |
| 2602 | Ainslie, Dickson, Downer, Hackett, Lyneham, O'Connor, Watson | 8,010 | 4,363,380 | 544.74 | 42.21% | 0.46% |
| 2615 | Charnwood, Dunlop, Florey, Flynn, Fraser, Higgins, Holt, Kippax, Latham, Macgregor, Melba, Spence | 11,505 | 3,702,155 | 321.79 | 41.74% | 0.30% |
| 2614 | Aranda, Cook, Hawker, Jamison Centre, Macquarie, Page, Scullin, Weetangera | 6,030 | 3,680,756 | 610.41 | 44.93% | 0.56% |
| 2603 | Forrest, Griffith, Manuka, Red Hill | 2,555 | 3,335,351 | 1305.42 | 40.65% | 0.69% |
| 2611 | Chapman, Duffy, Fisher, Holder, Mount Stromlo, Pierces Creek, Rivett, Stirling, Uriarra, Uriarra Forest, Waramanga, Weston, Weston Creek | 7,235 | 3,205,643 | 443.07 | 45.20% | 0.41% |

Taxation Statistics 2007-08
Table 6: Highest average deductible gift by State and Postcode
Income Year Ending 30 June 2008

| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
|------------|---|--------------------------|-------------------|--------------|---------------|---------------------|
| NSW | | | | | | |
| 2088 | Mosman, Spit Junction | 7,560 | 315,534,970 | 41737.43 | 38.69% | 12.44% |
| 2027 | Darling Point, Edgecliff, HMAS Rushcutters, Point Piper | 2,360 | 40,524,670 | 17171.47 | 39.56% | 4.30% |
| 2030 | Dover Heights, HMAS Watson, Rose Bay North, Vaucluse, Watsons | 3,515 | 32,063,318 | 9121.85 | 35.63% | 2.66% |
| 2023 | Bellevue Hill | 2,600 | 12,887,510 | 4956.73 | 37.65% | 1.54% |
| 2025 | Woollahra | 1,975 | 9,517,970 | 4819.23 | 37.55% | 1.55% |
| VIC | | | | | | |
| 3944 | Portsea | 110 | 1,288,282 | 11711.65 | 40.74% | 2.97% |
| 3761 | St Andrews | 230 | 2,113,253 | 9188.06 | 39.32% | 6.49% |
| 3142 | Hawkesburn, Toorak | 3,655 | 28,016,593 | 7665.28 | 42.16% | 1.95% |
| 3126 | Camberwell East, Canterbury | 2,215 | 7,812,737 | 3527.20 | 47.13% | 1.52% |
| 3943 | Sorrento | 260 | 711,196 | 2735.37 | 35.37% | 1.51% |
| QLD | | | | | | |
| 4567 | Castaways Beach, Noosa Heads, Sunrise Beach, Sunshine Beach | 1,605 | 22,248,003 | 13861.68 | 21.13% | 8.14% |
| 4364 | Brookstead | 35 | 455,236 | 13006.74 | 17.95% | 5.61% |
| 4572 | Alexandra Headland | 585 | 1,702,195 | 2909.74 | 24.38% | 1.79% |
| 4311 | Atkinsons Dam, Brightview, Buaraba, Buaraba South, Churchable, Clarendon, Coolana, Coominya, Lockyer Waters, Lowood, Minden, Mount Tarampa, Patrick Estate, Prenzlau, Rifle Range, Tarampa, Wivenhoe Hill | 1,150 | 3,171,021 | 2757.41 | 25.41% | 2.14% |
| 4678 | Bororen, Foreshores, Rodds Bay, Turkey Beach | 95 | 238,316 | 2508.59 | 21.35% | 1.48% |
| SA | | | | | | |
| 5354 | Bakara Well, Fisher, Greenways Landing, Langs Landing, Marks Landing, Naidia, Punyelroo, Sunnydale, Swan Reach | 25 | 91,625 | 3665.00 | 13.16% | 1.39% |
| 5006 | North Adelaide, North Adelaide Melbourne St | 1,410 | 3,045,548 | 2159.96 | 30.10% | 0.95% |

Taxation Statistics 2007-08
Table 6: Highest average deductible gift by State and Postcode
Income Year Ending 30 June 2008

| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
|------------|--|--------------------------|-------------------|--------------|---------------|---------------------|
| 5322 | Golden Heights, Qualco, Ramco, Ramco Heights, Sunlands | 40 | 83,617 | 2090.43 | 17.02% | 1.22% |
| 5061 | Hyde Park, Malvern, Unley, Unley BC, Unley DC, Unley Park | 2,500 | 5,173,547 | 2069.42 | 35.79% | 1.09% |
| 5081 | Collinswood, Gilberton, Medindie, Medindie Gardens, Vale Park, Walkerville | 2,120 | 4,292,157 | 2024.60 | 35.93% | 1.11% |
| WA | | | | | | |
| 6078 | Marginiup, Pinjar | 10 | 505,177 | 50517.70 | 18.18% | 13.95% |
| 6012 | Mosman Park | 1,540 | 6,215,711 | 4036.18 | 27.92% | 1.20% |
| 6282 | Yallingup, Yallingup Siding | 135 | 311,986 | 2311.01 | 16.07% | 0.83% |
| 6011 | Cottesloe, Peppermint Grove | 2,020 | 4,427,265 | 2191.72 | 31.46% | 0.64% |
| 6511 | Cervantes | 55 | 108,029 | 1964.16 | 17.74% | 0.96% |
| TAS | | | | | | |
| 7004 | Battery Point, South Hobart | 1,685 | 16,226,017 | 9629.68 | 35.55% | 7.39% |
| TAS | *Includes data for unknown/invalid postcodes and postcodes with | 415 | 2,651,466 | 6389.07 | 23.65% | 3.30% |
| 7113 | Franklin | 110 | 122,157 | 1110.52 | 20.18% | 0.81% |
| 7210 | Campbell Town, Lake Leake | 95 | 101,602 | 1069.49 | 16.67% | 0.63% |
| 7179 | Eaglehawk Neck | 60 | 53,803 | 896.72 | 26.09% | 0.79% |
| NT | | | | | | |
| 0846 | Adelaide River | 40 | 71,038 | 1775.95 | 18.18% | 0.87% |
| 0854 | Borrooloola, King Ash Bay | 30 | 15,192 | 506.40 | 8.82% | 0.15% |
| 0880 | Gunyangara, Nhulunbuy, Yirrkala | 285 | 131,027 | 459.74 | 25.00% | 0.19% |

Taxation Statistics 2007-08
Table 6: Highest average deductible gift by State and Postcode
Income Year Ending 30 June 2008

| Postcode | Locations | No. of Gifting taxpayers | Amount of Gift \$ | Average gift | % making gift | % of taxable Income |
|------------|---|--------------------------|-------------------|--------------|---------------|---------------------|
| 0872 | Aherrenge, Ali Curung, Alice Springs, Amata, Amoonguna, Ampilatwatja, Anaty, Anmatjere, Antewenegerde, Areyonga, Atitjere, Ayers Rock, Barrow Creek, Burt Plain, Canteen Creek, Chilla Well, Costello, Davenport, Docker River, Engawala, Erldunda, Ernabella, Finke, Fregon, Ghan, Gibson, Desert North, Gibson Desert South, Haasts Bluff, Hale, Hart, Hart Range, Hermannsburg, Hugh, Imanpa, Indulkana, Jay Creek, Kaltukatjara, Kintore, Kiwirrkurra, Kulgera, Kunparrka, Lake Mackay, Laramba, Mereenie, Mimili, Mount Liebig, Mount Zeil, Mulga Bore, Murputja Homelands, Mutitjulu, Namatjira, Ngaanyatjarra-Giles, Nyapari, Nyirripi, Papunya, Patjarr, Petermann, Pitjantjatjara Homelands, Sandover, Santa Teresa, Simpson, Tanami, Tara, Thangkenhareng, Ti Tree, Titjikala, Tjirrkari, Tjukurla, | 385 | 130,408 | 338.72 | 10.53% | 0.17% |
| 0885 | Alyangula | 155 | 52,144 | 336.41 | 22.96% | 0.13% |
| ACT | | | | | | |
| 2601 | Acton, Black Mountain, Canberra, City | 600 | 802,130 | 1336.88 | 27.33% | 0.77% |
| 2603 | Forrest, Griffith, Manuka, Red Hill | 2,555 | 3,335,351 | 1305.42 | 40.65% | 0.69% |
| 2600 | Barton, Canberra, Capital Hill, Deakin, Deakin West, Duntroon, Harman, HMAS Harman, Parkes, Parliament House, Russell, | 2,590 | 2,014,516 | 777.81 | 42.39% | 0.50% |
| 2604 | Causeway, Kingston, Narrabundah | 2,875 | 1,774,815 | 617.33 | 42.16% | 0.43% |
| 2605 | Curtin, Garran, Hughes | 3,655 | 2,235,159 | 611.53 | 46.12% | 0.49% |

Taxation Statistics 2008
Table 7: ANZIC Industry Code (for Sole Trader Taxpayers)
Income Year Ending 30 June 2008

| ANZSIC Industry Classification | Total Number of Individual Taxpayers | Taxable Income | Total Tax-Deductible Donations | | Percentage of Donating Taxpayers to Total Taxpayers | Donations as a Percentage of Taxable Income | Average Tax-Deductible Donation |
|--|--------------------------------------|------------------|--------------------------------|--------------------|---|---|---------------------------------|
| | | \$m | no. | \$m | % | % | \$ |
| Salary and wages earners | 7,519,655 | 293,568 | 2,763,135 | 747.21 | 36.75% | 0.25% | 270.42 |
| Investment income recipients | 214,150 | 13,070 | 98,330 | 97.40 | 45.92% | 0.75% | 990.50 |
| Agriculture, forestry, and fishing | 165,505 | 10,264 | 48,760 | 82.33 | 29.46% | 0.80% | 1,688.56 |
| Mining | 5,650 | 438 | 1,920 | 1.22 | 33.98% | 0.28% | 637.73 |
| Manufacturing | 90,830 | 3,664 | 25,265 | 8.33 | 27.82% | 0.23% | 329.83 |
| Electricity, gas, water, and waste services | 5,220 | 230 | 1,490 | 0.41 | 28.54% | 0.18% | 273.30 |
| Construction | 515,565 | 21,564 | 120,160 | 28.23 | 23.31% | 0.13% | 234.97 |
| Wholesale trade | 35,920 | 1,502 | 10,215 | 4.23 | 28.44% | 0.28% | 413.71 |
| Retail trade | 135,805 | 5,003 | 39,595 | 18.83 | 29.16% | 0.38% | 475.52 |
| Accommodation and food services | 51,465 | 1,677 | 12,870 | 0.46 | 25.01% | 0.03% | 35.89 |
| Transport, postal, and warehousing | 189,150 | 6,740 | 50,135 | 14.61 | 26.51% | 0.22% | 291.45 |
| Information, media, and telecommunications | 24,335 | 1,079 | 8,510 | 6.33 | 34.97% | 0.59% | 743.88 |
| Financial and insurance services | 599,625 | 35,923 | 200,625 | 603.78 | 33.46% | 1.68% | 3,009.50 |
| Rental, hiring, and real estate services | 112,030 | 7,994 | 41,910 | 91.13 | 37.41% | 1.14% | 2,174.51 |
| Professional, scientific, and technical services | 396,450 | 22,330 | 156,970 | 95.38 | 39.59% | 0.43% | 607.65 |
| Administrative and support services | 226,480 | 7,312 | 69,265 | 18.93 | 30.58% | 0.26% | 273.30 |
| Public administration and safety | 19,435 | 812 | 6,465 | 2.51 | 33.26% | 0.31% | 388.91 |
| Education and training | 83,885 | 3,300 | 32,405 | 14.28 | 38.63% | 0.43% | 440.67 |
| Health care and social assistance | 155,650 | 11,810 | 59,140 | 55.61 | 38.00% | 0.47% | 940.32 |
| Arts and recreation services | 126,900 | 5,359 | 44,365 | 39.88 | 34.96% | 0.74% | 898.82 |
| Other services | 183,835 | 6,420 | 48,775 | 16.53 | 26.53% | 0.26% | 338.82 |
| Other | 1,783,225 | 91,690 | 643,645 | 393.76 | 36.09% | 0.43% | 611.77 |
| Total | 12,640,765 | \$551,748 | 4,483,955 | \$ 2,345.55 | 35.47% | 0.43% | \$ 523.10 |

Taxation Statistics 2008
Table 8: Occupation Code
Income Year Ending 30 June 2008

| Occupation | Total Number of Individual Taxpayers | Taxable income | Total Tax-Deductible Donations | | Average gift | Percentage of donating taxpayers to total taxpayers | Donations as a percentage of taxable income |
|--|--------------------------------------|-----------------|--------------------------------|-------------|--------------|---|---|
| | | | no. | \$ | \$ | % | % |
| Miscellaneous | 3,473,280 | 106,790,294,278 | 671,775 | 932,631,909 | 1388.31 | 33.74% | 0.87% |
| Managers and Administrators | 896,795 | 74,888,777,481 | 387,795 | 358,022,595 | 923.23 | 45.52% | 0.48% |
| Professionals | 1,886,175 | 115,732,958,847 | 896,435 | 405,522,833 | 452.37 | 51.05% | 0.35% |
| Associate Professionals | 745,325 | 40,099,603,953 | 315,955 | 94,338,257 | 298.58 | 46.03% | 0.24% |
| Tradespersons and Associated Workers | 965,095 | 43,336,922,923 | 311,415 | 55,198,473 | 177.25 | 35.31% | 0.13% |
| Advanced Clerical, Sales and Service Workers | 237,220 | 10,104,286,294 | 99,960 | 25,503,668 | 255.14 | 47.00% | 0.25% |
| Intermediate Clerical, Sales and Service Workers | 2,269,290 | 80,207,179,155 | 832,735 | 190,440,559 | 228.69 | 43.52% | 0.24% |
| Intermediate Transport and Production Workers | 651,780 | 30,039,576,174 | 244,360 | 50,523,825 | 206.76 | 41.12% | 0.17% |
| Elementary Clerical, Sales and Service Workers | 977,365 | 20,355,835,215 | 223,215 | 35,039,415 | 156.98 | 33.95% | 0.17% |
| Labourers and Related Workers | 1,012,890 | 28,333,706,034 | 256,575 | 53,295,850 | 207.72 | 33.68% | 0.19% |